

**CITY OF OAKLAND**  
**AGENDA REPORT**

2009 DEC 22 PM 5: 52

TO: Office of the City Administrator  
ATTN: Dan Lindheim  
FROM: Community and Economic Development Agency  
DATE: January 12, 2010

RE: **An Informational Report Analyzing the Loan Modification Activity (To Help Avoid Foreclosures) Of Major Banks including Chase Manhattan, Wells Fargo and Bank of America, Including Percentages of Loans Modified in Oakland and Nationwide**

**SUMMARY**

This report is in response to the City Council's direction that staff prepare a report that analyzes the loan modification activity by major banks, including Chase Manhattan, Wells Fargo and Bank of America, including percentages of loans modified in Oakland and Nationwide to help avoid foreclosures. Data on this subject is not readily available. This report provides all the information that staff was able to obtain: the latest (October 2009) monthly report of servicer performance, available bank information and other information on local activity and statistics, with a particular focus on the Federal government's Making Home Affordable program.

The banks report loan modification results on a national level. The Oakland housing market is very different from many other states and national statistics do not necessarily reflect the impact for Oakland homeowners. Without specific Oakland data, starting with the number of loans in Oakland, conflicting statements on the program's success from servicers and counselors, and the small number of loans that have been converted from trial to permanent modifications, staff is unable to provide definitive information for Oakland.

Staff expects to receive metropolitan statistical areas (MSA) data soon. Although this will include surrounding areas, it will provide more insight on the results of efforts in the Bay Area.

**FISCAL IMPACT**

This is an informational report and does not recommend that any action be taken. There are no fiscal impacts.

**BACKGROUND**

Subprime lending practices during the last few years have included a number of high-risk loans involving adjustable rates, balloon payments and other provisions that have led to a substantial increase in the number of homeowners who have lost or are in danger of losing their homes to

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foreclosure. Adjustable-rate mortgages continue to adjust upward and increase monthly payments to levels that may exceed homebuyers' ability to make the required payments. Growing unemployment has increased the numbers of homeowners who face foreclosure because they can no longer afford to pay their mortgage, no matter what the rate may be.

Additionally, renters who occupy foreclosed homes face eviction in violation of the City's Just Cause ordinance, in part because many tenants and lenders are unaware of the protections afforded by the Just Cause ordinance. In addition to the displacement of individual households, and other unfortunate consequences of foreclosure, large number of foreclosures have and may result in larger numbers of vacant properties that could result in blighting and other undesirable conditions in many Oakland neighborhoods.

The U.S. Treasury Department released the outlines of President Obama's plan to help millions of homeowners refinance or modify their mortgages on March 4, 2009. The program will help millions of homeowners refinance or modify their mortgage payments to a level that is affordable now as well as in the future.

The Making Home Affordable Program planned to help homeowners who were unable to refinance their mortgage because the value of their homes plunged and they owed more than 80 percent of their home's value. The program will allow homeowners to refinance up to 125% of the value of their home with reduced interest rates as low as 2 percent for five years.

The second part of the plan was to help up to three to four million borrowers modify their loans. Some of these borrowers could no longer afford their monthly payments and were close to defaulting, while others were on the brink of foreclosure.

## KEY ISSUES AND IMPACTS

The Making Home Affordable program offered mortgage providers with financial incentives to help the two groups listed above.

### Key Program Eligibility Criteria

Refinance: *The Home Affordable Refinance* program

- Own a 1- to 4-unit home that is the primary residence
- Have a mortgage owned or guaranteed by Fannie Mae or Freddie Mac
- Current on mortgage payments and have not been more than 30 days late making a payment within the past 12 months.
- Have a mortgage that does not exceed 125 percent of the current market value of the home.
- Have income sufficient to support the new mortgage payments.

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Modifications: *The Home Affordable Modification* program (HAMP)

- Own a 1- to 4-unit home that is the primary residence
- Mortgage payment (including taxes, insurance, and homeowners association dues) is more than 31 percent of the gross (pre-tax) monthly income.
- Owe less than or equal to \$729,750 on the first mortgage for a one-unit property.

The program guidelines as written assist many parts of the nation, but are less effective in California and particularly Oakland. California is a high-cost market where housing prices rose significantly over a period of years and have consequently declined. Many loans are considered underwater because debt exceeds value and, therefore, there is little or no equity. Secondly, so many jobs have been lost in the recession that many homeowners have no income to make a mortgage payment regardless of how much it is lowered. Both these conditions are particularly severe in Oakland making it even more difficult for borrowers to qualify for the program.

Although the HAMP data shows the number of trial modifications offered as a percentage of each servicer's estimated eligible loans, the percentage of all existing mortgages that are eligible for HAMP is unclear. The California Reinvestment Coalition (CRC), a membership organization of more than 275 non-profit organizations and public agencies across the state that advocates for the right of low-income communities of color to have fair and equal access to banking and other financial services, has called on the Administration to provide more detailed data including: information about borrowers' race and ethnicity; a breakout of data for California and other states to see how many "underwater" borrowers are left out; and option ARM loans that have yet to re-set as well as loans that are 60-days delinquent.

The status of the program was summarized in a September 1, 2009 CNN.com report which found that the program hasn't helped enough:

- Six months in, only 6 percent of 4 million eligible homeowners (230,000) have gotten help
- Treasury chief has been so unhappy with program's pace, he's called in lenders
- Homeowners complain of poor service; lenders say they need more training time
- Critics: Program against banks' interests, as neediest homeowners are riskiest bets

According to the report, the percentage of eligible borrowers enrolled in trial modifications by the major banks was as follows:

Chase	20%
Citi	15%
Wells Fargo	6%
Bank of America	4%

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Homeowners and mortgage counselors have and continue to report that loan servicers are not doing enough to modify loans despite billions in incentives, and that far too many struggling borrowers are falling through the program's cracks.

## PROGRAM DESCRIPTION

Requests were made to representatives of Bank of America, J.P. Morgan Chase and Wells Fargo to provide information on local bank activity including trial and permanent modifications. One bank, Chase, responded at the writing of this report and that is included below. Bank of America does not have information for Oakland, but will submit information for California. Wells is working on the request.

### Chase Response

At this time, Chase continues to report its loan modification results only on a national level. According to Chase, since 2007, it has continued to expand its comprehensive plan to keep families in their homes, and has helped prevent 799,000 foreclosures through October 2009. From April 6, when Chase began processing trial modifications through the Home Affordable Modification Program (HAMP), through October 31, 2009, Chase has approved 181,000 HAMP trial modifications. *Of these trial plans offered, 133,988 are currently active as of October 31, 2009 and borrowers are making their trial plan payments.*

Together with 103,000 additional trial loan modifications approved under the Chase Home Modification Program (CHAMP) since April 6, 2009, over 284,000 struggling Chase, WaMu and EMC customers have received approved trial modifications through October 31, 2009.

Chase reports a number of steps have been taken since the last quarter of 2008 and throughout this year to improve customer service. These include:

- Added over 2,500 loan counselors in 2009, bringing the total number to 5,000
- Hired 3,700 additional mortgage operations employees to handle the unprecedented volume
- Opened 27 Chase Homeownership Centers in 11 states – three more than originally planned – where struggling borrowers around the country can meet face to face with trained counselors
- More than 50,895 borrowers have met with counselors at the centers and the CHOCs have mailed over 538,000 letters to invite Chase customers to discuss their situation with our trained counselors
- Hosted or participated in over 243 homeowner events to educate and inform homeowners about the loan modification process in just the past six months
- Engaged in strategic outsourcing arrangements to increase customer solicitations and expedite the fulfillment of trial modification packages – over 636,000 letters have been mailed.

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Chase did not provide any specific information on how many loans in California or Oakland were modified on either a trial or permanent basis.

**The Making Home Affordable Program**

The Home Affordable Modification Program requires borrowers to enter into a Trial Period Plan before receiving a permanent Home Affordable Modification.

Per the Treasury Department, as of the end of October, 2009, 20% of those eligible (more than 650,000 borrowers) had signed up for trials lasting up to five months. The modifications reduce monthly payments to more affordable levels. Borrowers must complete and submit additional documents to show they can make their payments on time to make the change permanent. A December 9, 2009 article reports that only 10,000 homeowners received permanent modifications this fall.

The November 30, 2009 press release outlining the beginning of the Mortgage Modification Conversion Drive is included as *Attachment A*.

As of October 2009, 71 servicers have signed servicer participation agreements to modify loans under the Home Affordable Modification Program (HAMP). These participants service loans owned or guaranteed by Fannie Mae or Freddie Mac, loans held in portfolio, or loans serviced on behalf of other investors. Approximately 2,300 lenders service loans owned or guaranteed by Fannie Mae or Freddie Mac. These services are automatically eligible to participate in HAMP.

Number of Trial Modifications	650,994
Number of Trial Period Plan Offers Extended to Borrowers (Cumulative)	919,965
Active Trial Modifications for California (About 19% of the state's homeowners who were behind or in foreclosure)	134,609

Local data is expected to be available following the report for November. The complete Performance report through October 2009 is included as *Attachment B*.

**National Statistics**

Servicer	Participation Date	Estimated Eligible 60+ Day Delinquency <sup>1</sup>	Trial Plan Offers Extended	Trial Plan Offers as Share of Estimated Eligible 60+ Day Delinquencies	Active Trial Modifications <sup>2</sup>	Trial Modifications as Share of Estimated Eligible 60+ Day Delinquencies
<b>B of A</b>	4/17/09	990,628	212,753	21%	136,994	14%
<b>Chase</b>	4/13/09	422,807	182,622	43%	133,988	32%
<b>Wells Fargo</b>	4/13/09	323,198	132,182	41%	93,652	29%
<b>National Total</b>		<b>1,736,633</b>	<b>527,557</b>	<b>30%</b>	<b>364,634</b>	<b>21%</b>

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Additional Activities and Local Events

- The Neighborhood Assistance Corporation of America (NACA) held a "Save the Dream" foreclosure clinic at the San Francisco Cow Palace October 16-20, 2009. As of this date, staff has not been able to obtain information on the numbers, results or outcomes from this event.
- Staff worked with the Mayor's Office and NID Housing Counseling Agency to host a Making Your Home Affordable Clinic at City Hall, Saturday, November 7, 2009.

The major lenders – Bank of America, Chase (including Washington Mutual/WaMu), and Wells Fargo (including Wachovia) participated. The clinic was designed to accommodate up to 300 clients seeking to prevent the loss of their homes, but drew approximately 1000 clients.

Twenty-nine NID-HCA counselors (10 bilingual) provided counseling services to 530 clients, with an additional 327 clients going directly to the participating lenders who were processing client workout packages. The remaining approximately 150 clients received workout applications and chose to schedule a later appointment with a lender or counselor. Twenty-two staff and volunteers from NID-HCA, the Mayor's Office, Housing staff and HUD San Francisco Office assisted in successfully managing the client flow process allowing clients who attended the clinic to be served and or schedule services.

Although the on-site modification process was not available as originally planned, the clients expressed their gratitude for the opportunity to begin the process to make their homes affordable through the available workout options. The team plans to continue to work together to assure that all clients actually receive services in a timely manner. NID-HCA has implemented an expedited process to provide complete services to all clients within 14 days and requested the lenders and servicers to provide contact information for the clients they processed to cross-check them with the NID list to make sure no clients slip through the cracks and to limit duplication of services for NID-HCA and or the lender/servicer.

- Staff continues to mail brochures that provide information and resources for assistance to homeowners and tenants potentially impacted by foreclosure. Brochures are mailed to homeowners and tenants who receive a Notice of Default (NOD) and/or a Notice of Trustee Sale (NTS). Brochures are also made available at events, meetings and other venues. The brochure is posted on the website at: [www.oaklandnet.com/oaklandhelps](http://www.oaklandnet.com/oaklandhelps). On average, staff sends out approximately 300 brochures each month.

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- The Unity Council holds monthly seminars for homeowners who seek assistance with or education about maintaining their home and safeguarding their investment. The seminars cover topics such as explaining the foreclosure process, dealing with mortgage problems, avoiding foreclosure, refinance options, "short sales," "short refinances," tax consequences and bankruptcy.

Between October 1, 2008 through September 30, 2009, 1122 new clients were served. Attendance started to decrease September, 2009. A summary of outcomes is included as *Attachment C*.

### **SUSTAINABLE OPPORTUNITIES**

Pursuant to City Council Resolution No. 74678 C.M.S., adopted December 1, 1998, staff encourages property owners to operate sustainable projects.

*Economic:* Maintaining homeownership helps avoid and reduce neighborhood blight that can impede economic development efforts.

*Environmental:* Nothing in this report creates direct environmental benefits. Vacant homes increase the possibility of deteriorating properties, vandalism, debris and other negative elements.

*Social Equity:* This report provides information to citizens in danger of losing their homes so they can continue to occupy their residences. Maintenance of homeownership, especially for low and moderate income households, is a key social equity goal of the City Council.

### **DISABILITY AND SENIOR CITIZEN ACCESS**

This report does not provide specific benefits or programs for disabled or senior citizens.

### **RECOMMENDATION(S) AND RATIONALE**

Staff recommends the City Council accept this report of loan modification activity by major banks.

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**ACTION REQUESTED OF THE CITY COUNCIL**

Staff requests that the City Council accept this informational report summarizing loan modification activity by major banks.

Respectfully submitted,

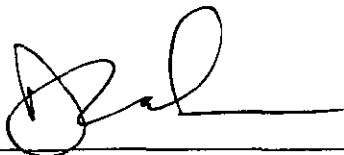


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APPROVED AND FORWARDED TO  
THE COMMUNITY AND ECONOMIC  
DEVELOPMENT COMMITTEE:



OFFICE OF THE CITY ADMINISTRATOR

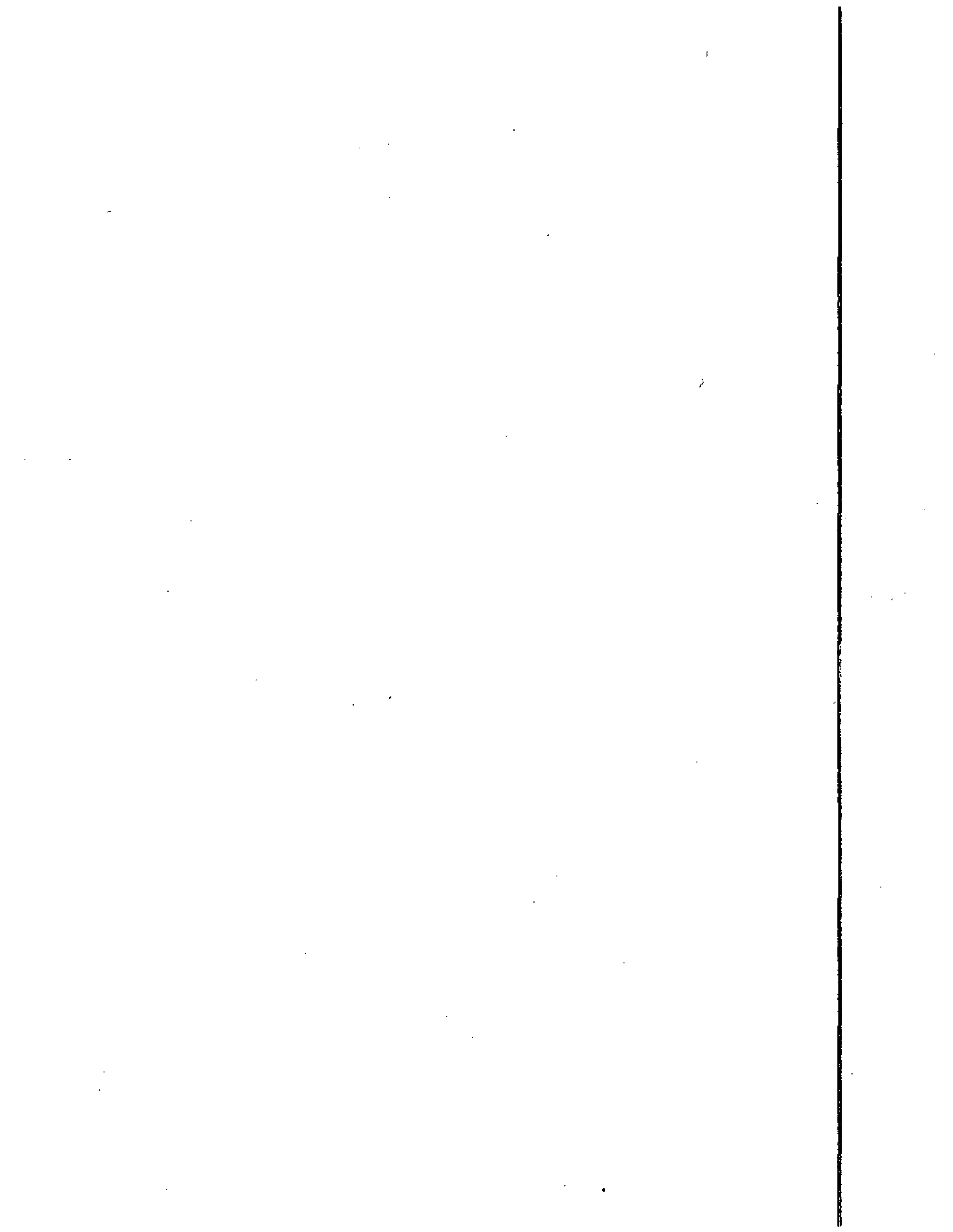
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**Attachment A**

**Press Release  
November 30, 2009**

**Obama Administration Kicks Off Mortgage Modification Conversion Drive**



## PRESS RELEASES

November, 30, 2009

### OBAMA ADMINISTRATION KICKS OFF MORTGAGE MODIFICATION CONVERSION DRIVE

WASHINGTON - The U.S. Department of the Treasury and Department of Housing and Urban Development (HUD) today kick off a nationwide campaign to help borrowers who are currently in the trial phase of their modified mortgages under the Obama Administration's Home Affordable Modification Program (HAMP) convert to permanent modifications. The modification program, which has helped over 650,000 borrowers, is part of the Administration's broader commitment to stabilize housing markets and to provide relief to struggling homeowners and is a primary focus of financial stability efforts moving forward. Roughly 375,000 of the borrowers who have begun trial modifications since the start of the program are scheduled to convert to permanent modifications by the end of the year. Through the efforts being announced today, Treasury and HUD will implement new outreach tools and borrower resources to help convert as many trial modifications as possible to permanent ones.

"We are encouraged by the pace at which trial modifications are now being made to provide immediate savings to struggling homeowners," said the new Chief of Treasury's Homeownership Preservation Office (HPO), Phyllis Caldwell. "We now must refocus our efforts on the conversion phase to ensure that borrowers and servicers know what their responsibilities are in converting trial modifications to permanent ones." In her new role, Caldwell will lead HPO's conversion drive efforts.

"Encouraging borrowers to move through the process of converting trial modifications to permanent modifications remains a top priority for HUD," said HUD Assistant Secretary for Housing and FHA Commissioner David Stevens. "As a part of our continuing efforts to improve the execution of the HAMP program, HUD is committed to working with servicers, borrowers, housing counselors and others dedicated to homeownership preservation to improve the transition of distressed homeowners into affordable and sustainable mortgages."

With tens of thousands of trial modifications being made each week, the Administration is now working to ensure that eligible borrowers have the information and the assistance needed to move from the trial to the permanent modification phase. (All mortgage modifications begin with a trial phase to allow borrowers to submit the necessary documentation and determine whether the modified monthly payment is sustainable for them.) As the first round of modifications convert from the trial to permanent phase, the Administration has identified several strategies for addressing the challenges that borrowers confront in receiving permanent modifications.

In addition to the conversion drive that kicks off today, the Obama Administration has already taken several steps to make the transition from trial to permanent modification easier and more transparent by:

- Extending the period for trial modifications started on or before September 1st to give homeowners more time to submit required information;
- Streamlining the application process to minimize paperwork and simplify the submission process; meeting regularly with servicers to identify necessary improvement to borrower outreach and responsiveness;

- Developing operational metrics to hold servicers accountable for their performance, which will soon be reported publicly;
- Enhancing borrower resources on the MakingHomeAffordable.gov website and the Homeowner's HOPETM Hotline (888-995-HOPE) to provide direct access to tools and housing counselors.

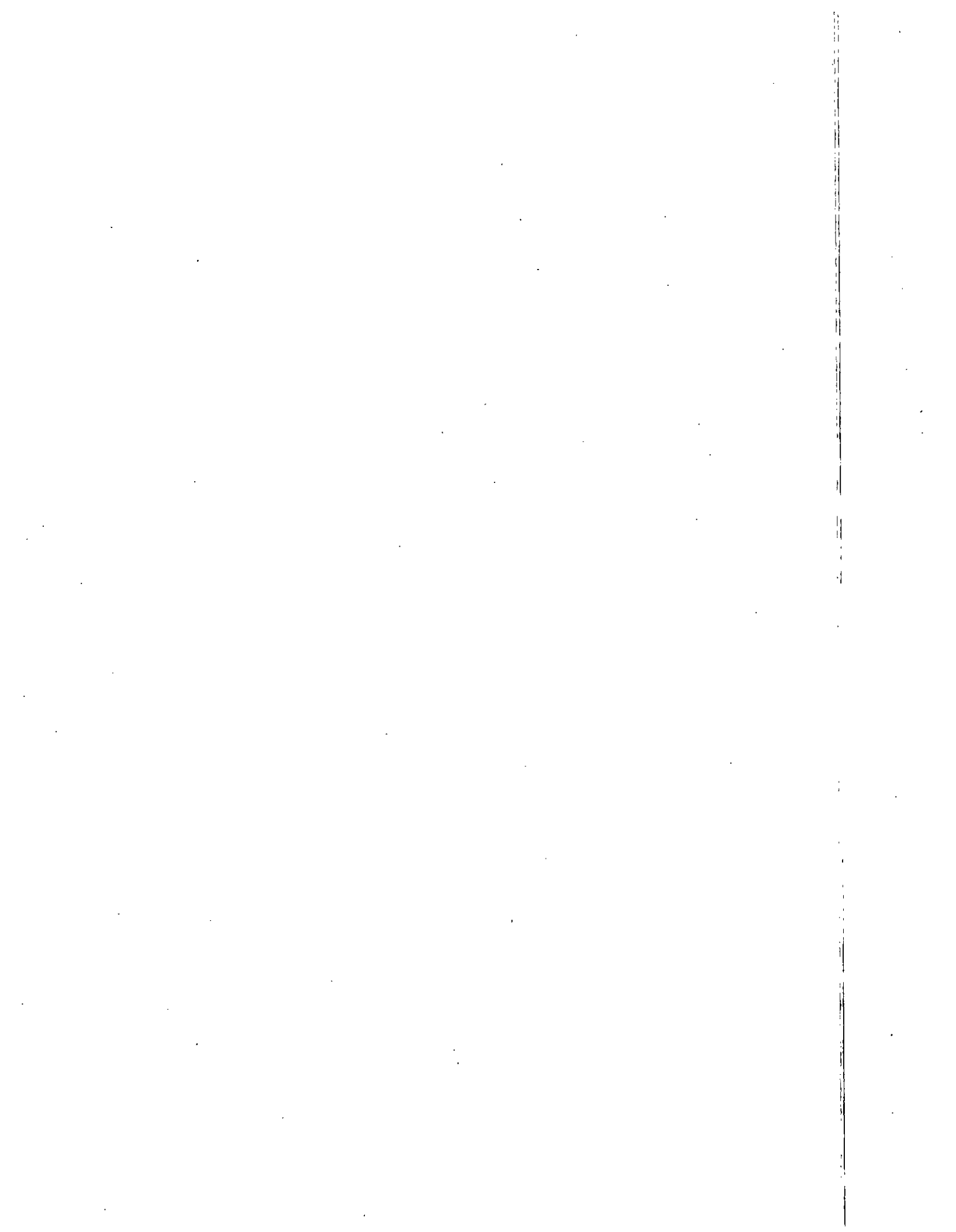
The Mortgage Modification Conversion Drive will include the following:

- Servicer Accountability. As part of the Administration's ongoing efforts to hold servicers accountable for their commitment to the program and responsibility to borrowers, the following measures will be added:
  - Top servicers will be required to submit a schedule demonstrating their plans to reach a decision on each loan for which they have documentation and to communicate either a modification agreement or denial letter to those borrowers. Treasury/Fannie Mae "account liaisons" are being assigned to these servicers and will follow up daily as necessary to monitor progress against the servicer's plan. Daily progress will be aggregated by the end of each business day and reported to the Administration.
  - Servicers failing to meet performance obligations under the Servicer Participation Agreement will be subject to consequences which could include monetary penalties and sanctions.
  - The December MHA Servicer Performance Report will include the data on permanent modifications as well as the number of active trial period modifications that may convert by the end of the year if all borrower documents are successfully submitted, sorted by servicer and date.
  - Servicers will be required to report to the Administration the status of each modification to provide additional transparency about situations where borrowers face obstacles to moving to the permanent phase.
- Web tools for borrowers. Because the document submission process can be a challenge for many borrowers, the Administration has created new resources on [www.MakingHomeAffordable.gov](http://www.MakingHomeAffordable.gov) to simplify and streamline this step. New resources include:
  - Links to all of the required documents and an income verification checklist to help borrowers request a modification in four easy steps;
  - Comprehensive information about how the trial phase works, what borrower responsibilities are to convert to a permanent modification, and a new instructional video which provides step by step instruction for borrowers;
  - A toolkit for partner organizations to directly assist their constituents;
  - New web banners and tools for outreach partners to drive more borrowers to the site and

Homeowner's HOPETM Hotline (888-995-HOPE).

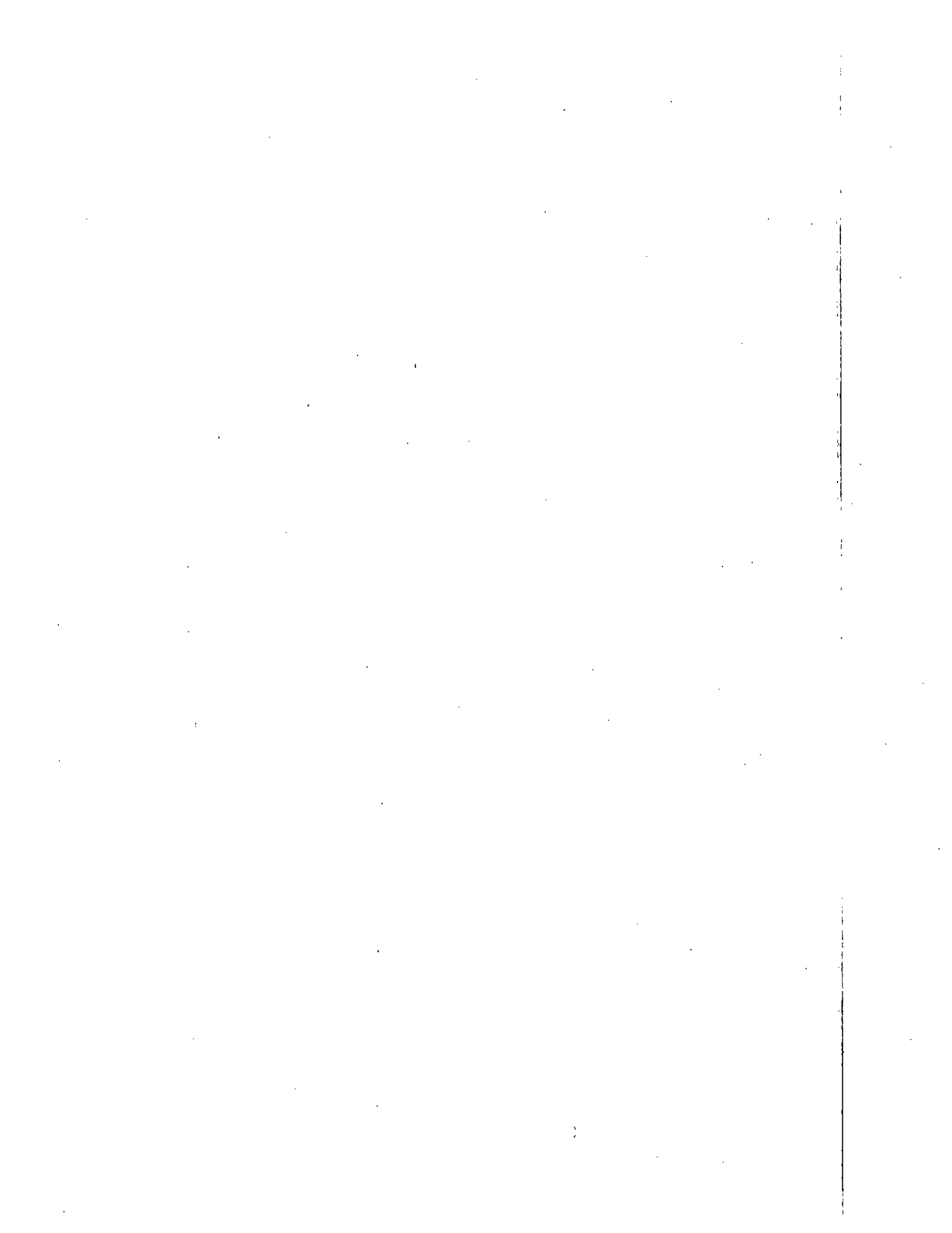
- Engagement of state, local and community stakeholders. Through the conversion drive, the Administration is engaging all levels of government - state, local and county - to both increase awareness of the program and expand the resources available to borrowers as they navigate the modification process.
  - HUD will engage staff in its 81 field offices to distribute outreach tools. HUD will also encourage its 2700 HUD-Approved Counseling Organizations to distribute outreach information to participating borrowers.
  - By engaging the National Governors Association (NGA), National League of Cities (NLC) and National Association of Counties (NACo) the Administration is connecting with the thousands of state, local, and county offices on the frontlines in large and small communities across the country who are hardest hit by the foreclosure crisis. These offices will now have the tools to increase awareness of the program, connect with and educate borrowers and grassroots organizations on how to request a modification and take the additional steps to ensure they are converted to permanent status; and serve as an additional trusted resource for borrowers who are facing challenges with the program.
  - In partnering with the Conference of State Bank Supervisors and the American Association of Residential Mortgage Regulators, state regulators will now have enhanced tools to assist borrowers who are facing challenges in converting to a permanent modification and to report to the Administration on the progress and challenges borrowers and servicers are facing on the ground. Regulators will also be empowered to work directly with escalation and compliance teams to ensure that HAMP guidelines are consistently applied.

More information about the Obama Administration's mortgage modification program can be found at [www.MakingHomeAffordable.gov](http://www.MakingHomeAffordable.gov).



## **Attachment B**

### **Making Home Affordable Program Servicer Performance Report Through October 2009**





# Making Home Affordable Program

Servicer Performance Report Through October 2009

## Overview of Administration Housing Stability Initiatives

### Initiatives to Support Access to Affordable Mortgage Credit and Housing

#### Lower Mortgage Rates and Access to Credit:

- Continued financial support to maintain affordable mortgage rates through the Government Sponsored Enterprises (GSEs)
- Access to sustainable mortgages through the Federal Housing Administration (FHA)
- Support for mortgage funding through Treasury's Mortgage-Backed Security (MBS) purchase program as well as purchases by the Federal Reserve

#### State and Local Housing Initiatives:

- Access for Housing Finance Agencies (HFAs) to provide mortgages to first-time homebuyers, refinancing opportunities to at-risk borrowers, and help in developing affordable rental housing

#### Tax Credits for Housing:

- First-time homebuyer credit to help more homebuyers buy a new home
- Low-Income Housing Tax Credit (LIHTC) programs to support affordable rental housing

### Initiatives to Prevent Avoidable Foreclosures and Stabilize Neighborhoods

#### Making Home Affordable – Modifications:

- Goal of offering 3-4 million homeowners lower mortgage payments through a modification over three years

#### Making Home Affordable – Refinancing:

- Refinancing flexibility and low mortgage rates, which have allowed over 3 million borrowers to refinance, saving an estimated \$150 per month on average and more than \$6 billion dollars in total over the first year

#### Hope for Homeowners:

- Sustainable refinancing opportunity for some homeowners to restore equity as integrated component of MHA

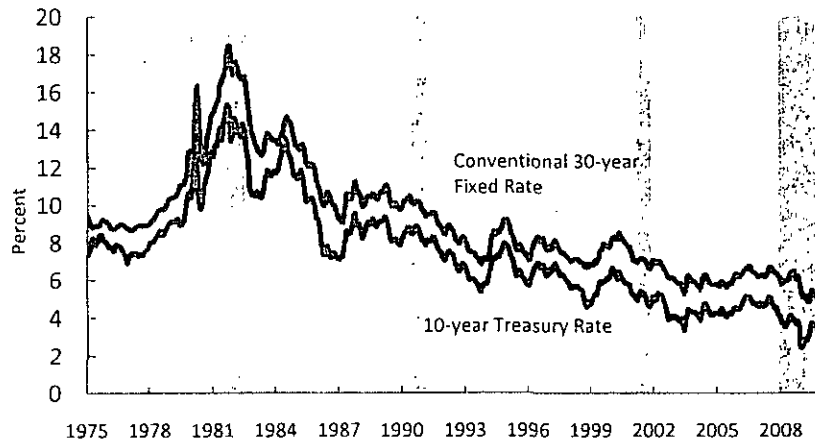
#### Neighborhood Stabilization and Community Development Programs:

- Support for the hardest hit communities to help stabilize neighborhoods

# Making Home Affordable Program

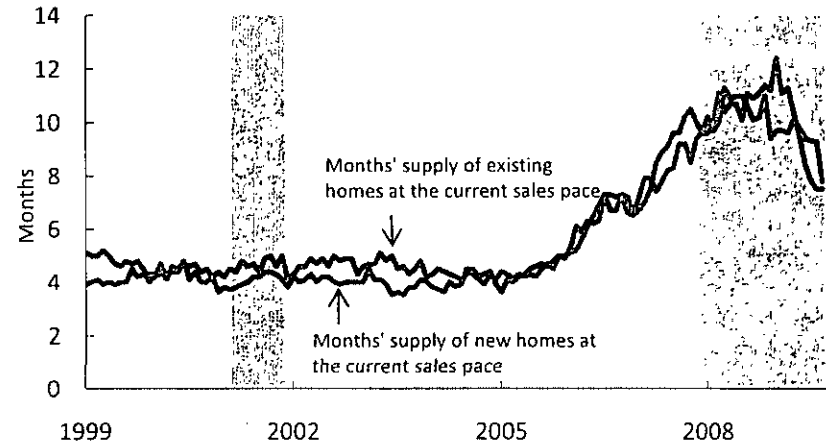
Servicer Performance Report Through October 2009

## Mortgage Rates



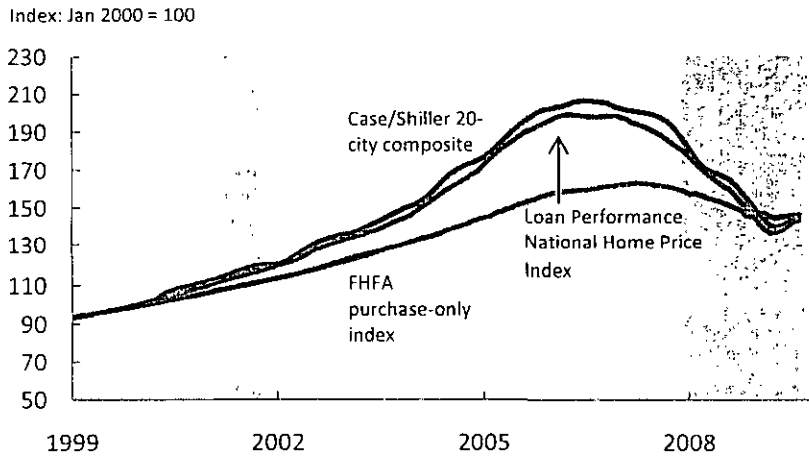
Source: Federal Reserve.

## Housing Inventory



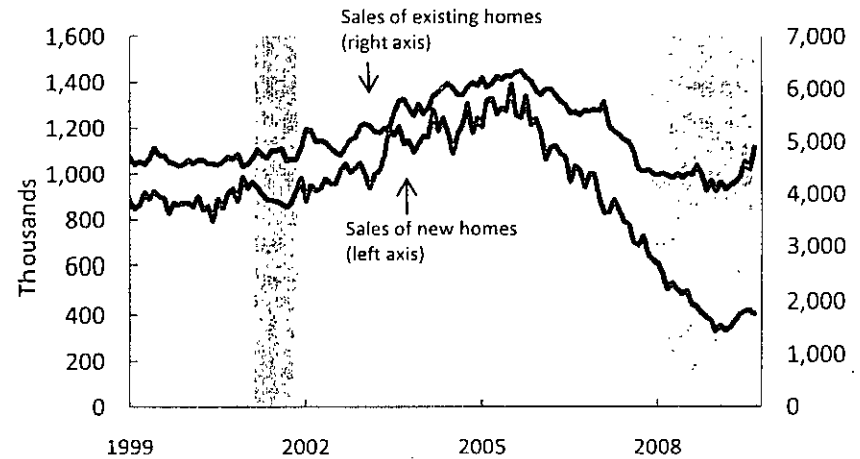
Source: National Association of Realtors.

## Home Prices



Sources: S&P/Case-Shiller Home Price Index; LP/Haver Analytics; FHFA.

## New and Existing Home Sales



Source: National Association of Realtors, Census Bureau.

Note: Shaded areas indicate recessions.

# Making Home Affordable Program

## Servicer Performance Report Through October 2009

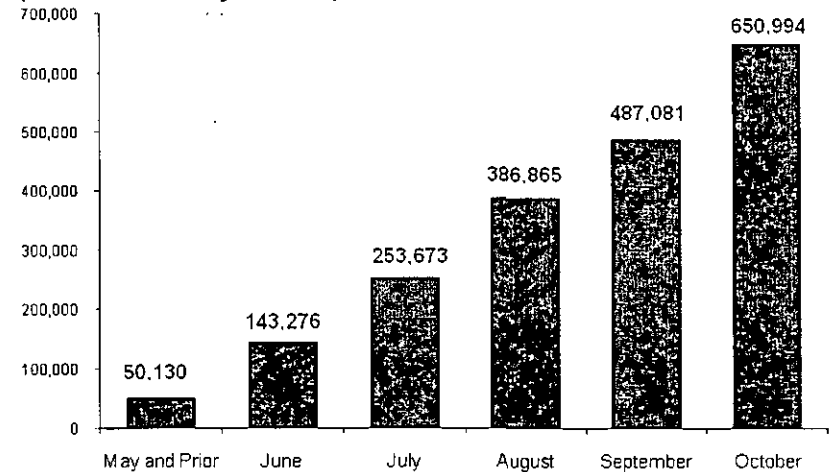
### Home Affordable Modification Program (HAMP) Snapshot through October 2009

Number of Trial Modifications <sup>1</sup>	650,994
Number of Trial Period Plan Offers Extended to Borrowers (Cumulative) <sup>2</sup>	919,965
Number of Requests for Financial Information Sent to Borrowers (Cumulative) <sup>2</sup>	2,776,740

<sup>1</sup> Active trial and permanent modifications as of October 31; based on numbers reported by servicers to the HAMP system of record.

<sup>2</sup> Source: Survey data provided by servicers, through October 29.

### HAMP Trial Modifications (Cumulative, by Month)

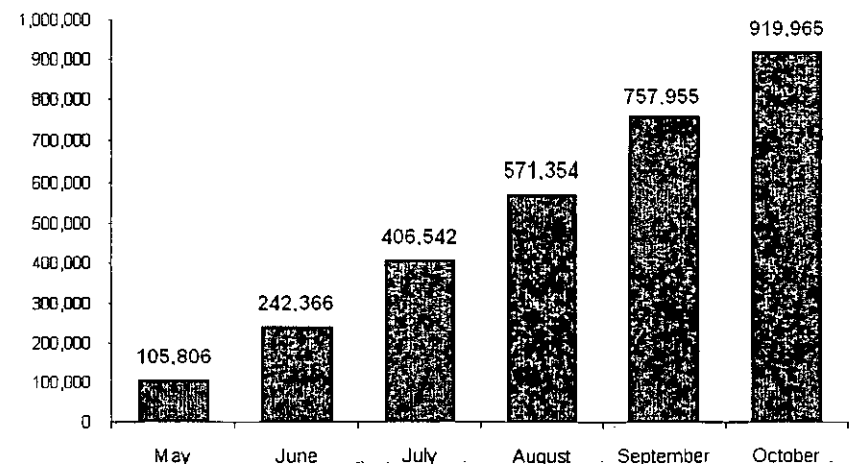


Source: Active trial and permanent modifications as of October 31; based on numbers reported by servicers to the HAMP system of record.

### HAMP Participating Servicers

- Approximately 85% of eligible mortgage debt outstanding is covered by HAMP participating servicers.
- 71 servicers have signed servicer participation agreements to modify loans under HAMP. These participants service loans owned or guaranteed by Fannie Mae or Freddie Mac, loans held in portfolio, or loans serviced on behalf of other investors.
- Approximately 2,300 lenders service loans owned or guaranteed by Fannie Mae or Freddie Mac. These servicers are automatically eligible to participate in HAMP.

### HAMP Trial Plans Offered to Borrowers (Cumulative, by Month)



Source: Survey data provided by servicers. September data includes October 1. October data is 10/2 through 10/29.

Additional information on HAMP can be found on [MakingHomeAffordable.gov](http://MakingHomeAffordable.gov) or by calling the Homeowner's HOPE Hotline at 1-888-995-HOPE (4673).

# Making Home Affordable Program

## Servicer Performance Report Through October 2009

### HAMP Modification Activity by Servicer

Servicer	Participation Start Date	Estimated Eligible 60+ Day Delinquency	Trial Plan Offers Extended	Trial Plan Offers as Share of Estimated Eligible 60+ Day Delinquencies	Active Trial Modifications	Trial Modifications as Share of Estimated Eligible 60+ Day Delinquencies
American Home Mortgage Servicing Inc	7/22/09	116,742	9,649	8%	5,082	4%
Aurora Loan Services, LLC	5/1/09	74,846	39,897	53%	24,491	33%
Bank of America, NA <sup>3</sup>	4/17/09	990,628	212,753	21%	136,994	14%
Bank United	10/23/09	9,045	0	0%	0	0%
Bayview Loan Servicing, LLC	7/1/09	9,639	2,672	28%	2,116	22%
Carrington Mortgage Services LLC	4/27/09	18,217	1,981	11%	1,135	6%
CCO Mortgage	6/17/09	4,652	1,175	25%	789	17%
CitiMortgage, Inc.	4/13/09	221,916	110,796	50%	88,968	40%
Franklin Credit Management Corporation	9/11/09	2,643	0	0%	0	0%
GMAC Mortgage, Inc.	4/13/09	65,946	35,890	54%	23,078	35%
Green Tree Servicing LLC	4/24/09	4,034	1,028	25%	694	17%
HomeEq Servicing	8/5/09	40,766	1,348	3%	91	0%
J.P. Morgan Chase Bank, NA <sup>4</sup>	4/13/09	422,807	182,622	43%	133,988	32%
Litton Loan Servicing LP	8/12/09	110,027	17,764	16%	13,093	12%
MorEquity, Inc.	7/17/09	2,299	123	5%	3	0%
National City Bank	6/26/09	42,504	15,621	37%	7,906	19%
Nationstar Mortgage LLC	5/28/09	31,736	20,110	63%	10,154	32%
Ocwen Financial Corporation, Inc.	4/16/09	67,912	13,196	19%	7,636	11%
OneWest Bank	8/28/09	110,496	30,331	27%	14,044	13%
Residential Credit Solutions	6/12/09	1,524	379	25%	350	23%
RG Mortgage Corporation	6/17/09	3,237	337	10%	70	2%
Saxon Mortgage Services, Inc.	4/13/09	80,477	38,327	48%	35,027	44%
Select Portfolio Servicing	4/13/09	62,094	37,695	61%	18,156	29%
US Bank NA	9/9/09	29,654	8,590	29%	4,477	15%
Wachovia Mortgage, FSB <sup>5</sup>	7/1/09	78,272	5,162	7%	2,363	3%
Wells Fargo Bank, NA	4/13/09	323,198	132,182	41%	93,652	29%
Other SPA servicers <sup>6</sup>	--	5,134	337	7%	213	4%
Other GSE Servicers <sup>7</sup>	--	288,747	NA	NA	26,424	9%
<b>Total</b>		<b>3,219,192</b>	<b>919,965</b>	<b>29%</b>	<b>650,994</b>	<b>20%</b>

<sup>1</sup> Estimated eligible 60+ day delinquent mortgages as reported by servicers as of September 30, 2009 include loans:

- in foreclosure and bankruptcy
- with a current unpaid principal balance less than \$729,750 on a one-unit property, \$934,200 on a two-unit property, \$1,129,250 on a three-unit property and \$1,403,400 on a four-unit property.
- on a property that was owner-occupied at origination.
- originated prior to January 1, 2009.

Estimated eligible 60+ day delinquent loans excludes:

- FHA and VA loans.
- loans that are current or less than 90 days delinquent, which may be eligible for HAMP if a borrower is in imminent default.

For servicers enrolling after October 1, delinquency counts are taken from the servicer registration form.

<sup>2</sup> Active trial and permanent modifications as reported into the HAMP system of record by servicers.

<sup>3</sup> Bank of America, NA includes Countrywide Home Loans Servicing LP, Home Loan Services and Wilshire Credit Corporation.

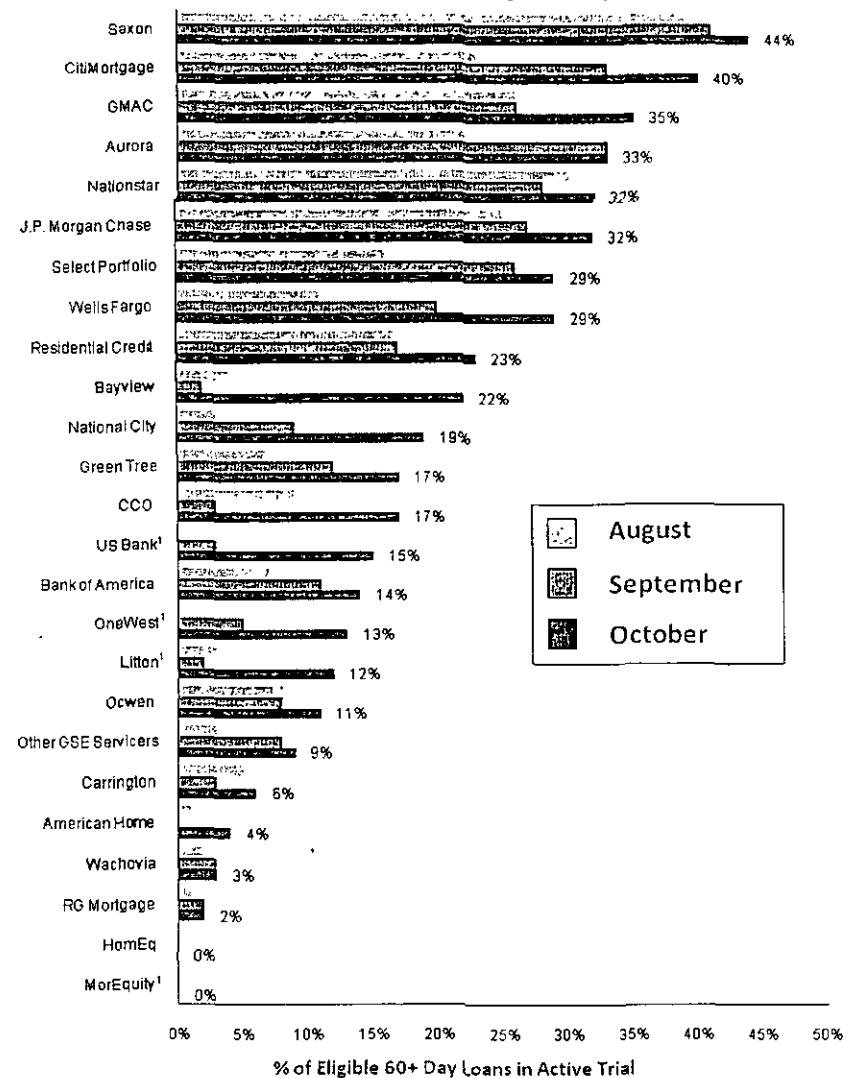
<sup>4</sup> J.P. Morgan Chase Bank, NA includes EMC Mortgage Corporation.

<sup>5</sup> Wachovia Mortgage FSB includes Wachovia Bank NA.

<sup>6</sup> Other SPA servicers are entities with less than 1,000 estimated eligible 60+ day delinquencies that have signed participation agreements with Treasury and Fannie Mae. Those servicers are: Allstate Mortgage Loans and Investments; AMS Servicing, LLC; Bay Federal Credit Union; Central Florida Educators Federal Credit Union; Central Jersey Federal Credit Union; Citizens First Wholesale Mortgage Company; CUC Mortgage Corp.; DuPage Credit Union; Farmers State Bank; First Bank; First Federal Savings and Loan; Glass City Federal Credit Union; Great Lakes Credit Union; Harleyville National Bank & Trust; Horizon Bank; IBM Southeast Employees' Federal Credit Union; IC Federal Credit Union; Lake City Bank; Lake National Bank; Members Mortgage Company Inc.; Metropolitan National Bank; Mission Federal Credit Union; Mortgage Center LLC; Mortgage Clearing Corp.; Oakland Municipal Credit Union; ORNL Federal Credit Union; PennyMac Loan Services LLC; PNC Bank, NA; Purdue Employees Federal Credit Union; Roundpoint Mortgage Servicing Corp.; Schools Financial Credit Union; SEFCU; Servis One, Inc.; Shore Bank; Stanford Federal Credit Union; Technology Credit Union; United Bank Mortgage Corp.; Vantium Capital, Inc.; Wescom Central Credit Union; and Yadin Valley Bank.

<sup>7</sup> Includes approximately 2,300 participants that service loans owned or guaranteed by Fannie Mae and Freddie Mac.

### Trial Modification Tracker: Active Trial Modifications as a Share of Estimated Eligible 60+ Day Delinquencies



<sup>1</sup> HomeEq, Litton, OneWest and USBank began participation after July 31, 2009. Bank United is excluded from this list as it began participation on October 23.

Note: Servicer rollups are the same as the table at left.

August trials as a share of 60+ day delinquencies on July 31, 2009.

September trials as a share of 60+ day delinquencies on August 31, 2009.

October trials as a share of 60+ day delinquencies on September 30, 2009.

# Making Home Affordable Program

Servicer Performance Report Through October 2009

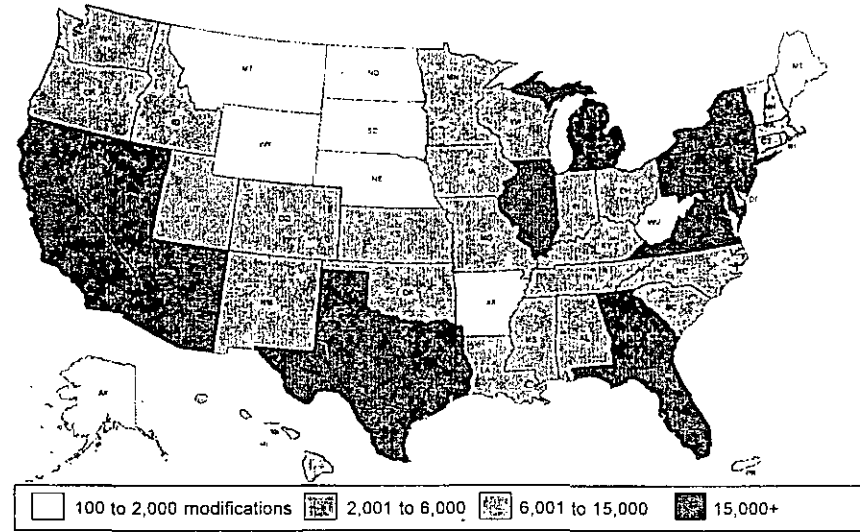
## Active Trial Modifications by State

State	Modifications	State	Modifications
Alabama	4,651	Montana	897
Alaska	431	Nebraska	1,110
Arizona	34,424	Nevada	17,566
Arkansas	1,850	New Hampshire	3,003
California	134,609	New Jersey	22,102
Colorado	9,657	New Mexico	2,268
Connecticut	8,446	New York	28,773
Delaware	2,184	North Carolina	13,654
District of Columbia	1,177	North Dakota	170
Florida	82,614	Ohio	14,132
Georgia	25,675	Oklahoma	2,022
Hawaii	2,331	Oregon	7,560
Idaho	2,660	Pennsylvania	15,223
Illinois	33,514	Rhode Island	3,058
Indiana	7,449	South Carolina	7,194
Iowa	2,095	South Dakota	324
Kansas	2,006	Tennessee	7,712
Kentucky	2,928	Texas	21,260
Louisiana	4,061	Utah	5,427
Maine	1,766	Vermont	494
Maryland	21,634	Virginia	16,981
Massachusetts	14,677	Washington	12,869
Michigan	22,031	West Virginia	1,180
Minnesota	12,933	Wisconsin	6,679
Mississippi	2,774	Wyoming	352
Missouri	8,105	Other*	575

\* Includes Puerto Rico and the U.S. Virgin Islands.

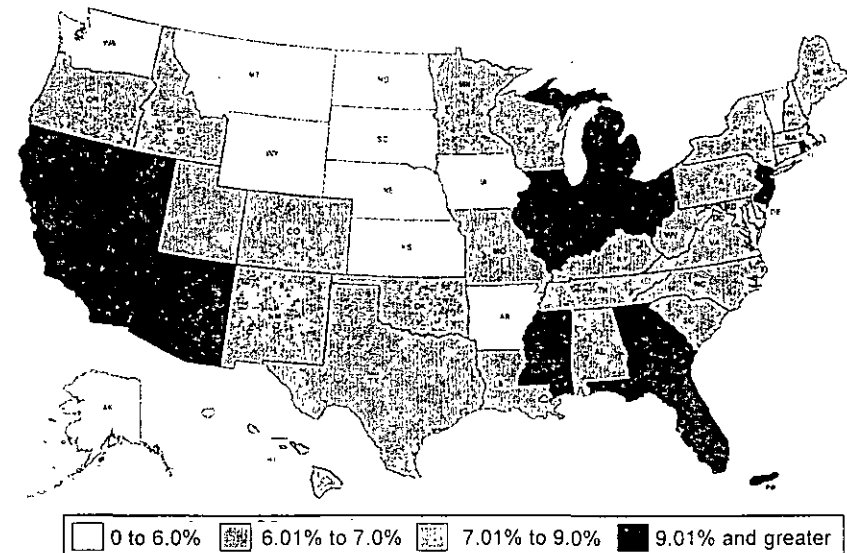
Note: Figures include active trial and permanent modifications through November 5.

## HAMP Activity by State



Note: Includes active trial and permanent modifications from the official HAMP system of record.

## 60+ Day Delinquent Loans as a % of Outstanding Mortgage Loans



Source: Mortgage Bankers Association.

Attachment C

**Unity Council**  
(Oakland clients represent approximately 65% of total)

Overall foreclosure counseling results (since 1/1/2008) based upon NFMC reporting guidelines (does not include any foreclosure counseling where client withdrew from counseling before completing intake, authorization, budget and action plan) and Counseling Outcomes Expected for period 10/1/09 - 12/31/10:

Mortgage Delinquency/Default Counseling - Outcomes	CY 2008		YTD 2009		10/1/09 to	12/31/10
	Number of clients	Percentage of Total	Number of clients	Percentage of Total	Expected Outcomes # of clients	Expected Outcomes % of total
Bankruptcy	4	0.99%	7	1.26%	6	0.63%
Brought Mortgage Current	1	0.25%	1	0.18%	1	0.12%
Counseled and referred for legal assistance	6	1.48%	17	3.05%	425	49.02%
Counseled and referred to another social service or emergency assistance agency	4	0.99%	4	0.72%	4	0.46%
Currently Receiving Foreclosure Prevention/Budget Counseling	147	36.30%	153	27.47%	75	8.65%
Entered debt management plan	3	0.74%	3	0.54%	3	0.35%
Executed a Deed-in-Lieu	1	0.25%	3	0.54%	2	0.23%
Initiated Forbearance Agreement/Repayment Plan	67	16.54%	154	27.65%	111	12.75%
Mortgage Foreclosed	28	6.91%	29	5.21%	29	3.29%
Mortgage Modified	44	10.86%	85	15.26%	155	17.88%
Mortgage Refinanced	0	0.00%	1	0.18%	1	0.06%
Obtained partial claim loan from FHA lender	0	0.00%	0	0.00%	0	0.00%
Other	1	0.25%	2	0.36%	2	0.17%
Pre-foreclosure sale	10	2.47%	13	2.33%	12	1.33%
Received Second Mortgage	0	0.00%	0	0.00%	0	0.00%
Sold property/chose alternative housing solution	2	0.49%	1	0.18%	2	0.17%
Withdrew from counseling	29	7.16%	36	6.46%	33	3.75%
Result Missing/Unknown	58	14.32%	48	8.62%	10	1.15%
<b>TOTAL</b>	<b>405</b>	<b>100.00%</b>	<b>557</b>	<b>100.00%</b>	<b>871</b>	<b>100.00%</b>

