



## Summary of Industry & Government Sponsored Loss Mitigation Programs

Program	Eligible Borrowers & Properties	Eligible Mortgage Loans	Reduction in Monthly Payment	Features Modified / Refinancing Stipulations	Other Comments
<p><b>Bank of America</b> <i>Project lifeline</i></p> <p>Date Released: 02/12/08 Contact Info: (800) 846-2222</p>	<p>Homeowners who are currently facing the greatest risk of losing home, those who are 90 days or more late</p>	<p>Intended for all loans, whether they are sub-prime, ALT-A, or prime, including second liens and home equity loans.</p>	<p><b>Same as HOPE NOW:</b> Mortgage payment, including homeowner association dues, of no more than 38% of monthly gross income.</p>	<p>Reach out to struggling homeowners by letter. Homeowners would then have to call their mortgage servicers and inform the servicer that they have received the letter and would like to stay in home. Homeowners would need to then provide the servicer with updated financial information. If qualify, the servicer may provide homeowner with budget counseling at no cost, review financial information while creating new plan, the servicer will finalize modification after homeowner makes three (3) payments in the new account the.</p> <p>Could reduce interest rate, or extend the time you have to repay your loan or both (if homeowner qualifies).</p>	<p>Foreclosure will be paused for 30 days while potential loan modification is being evaluated.</p>

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<p><b>Citi Homeowner Assistance Program</b></p> <p>Date released: 11/11/08</p> <p>Contact Info: (800) - MORTGAGE</p>	<p>Homeowners who are not currently behind on their mortgages but may require help to remain current.</p>	<p>All loans in Citi's owned portfolio.</p>	<p>Uses a simplified formula to determine an affordable payment as a percentage of borrower's income and then reduces the monthly payment to the amount by one or more of the following: Interest rate reduction, extension of terms or forgiveness of principle</p>	<p>Recently streamlined its existing loan modification program similar to FDIC/IndyMac model</p>	<p>Will not initiate foreclosure or complete foreclosure sale where:</p> <p>Citi owns the loans, the borrower is seeking to stay in the home, is working in good faith with Citi, and has sufficient income for affordable mortgage payments,</p> <p>Has recently Streamlined existing loan modification program to aggressively rework delinquent loans.</p>
<p><b>Countrywide Financial Corporation, Countrywide Home Loans, Inc., and Full Spectrum Lending, Inc.</b></p> <p><b>(Collectively "CFC")</b></p> <p><b>Multi-state Settlement Agreement</b></p>	<p>Have qualifying mortgage on an owner-occupied 1-4 unit residential property that was originated before December 1, 2007.</p> <p>Was within Countrywide Financial</p>	<p>Subprime 2,3,5,7 and 10 Hybrid ARMs</p> <p>Pay Option ARMs</p> <p>Subprime Mortgage Loans</p> <p>All must be first lien mortgages</p>	<p>Eligible borrowers for whom taxes and insurance are escrowed shall be offered a loan modification that produces a first-year payment of principle, interest, taxes, and insurance equating to 34% of borrower's income, or as close to</p>	<p>Subprime 2,3,5,7 and 10 Hybrid ARMs loan:</p> <p>a) an FHA refinance under HOPE for Homeowner program will attempted first; or</p> <p>b) Eligible borrowers who are current on their payments of interest and principal before the first rate reset an become seriously delinquent as a result of the rest may receive an</p>	<p>Foreclosure process for all eligible borrowers shall not be initiated or advanced for the period necessary to determine the borrowers' interest in retaining ownership and ability to afford the revised economic terms.</p>

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	<p>Corporation's (CFC) servicing portfolio on June 30, 2008</p> <p>It is also within CFC or and affiliate's servicing portfolio at the time a loan modification is effected.</p> <p>Borrowers with Subprime 2,3,5,7 and 10 Hybrid ARMs are eligible if the borrower meets any of the following three requirements:</p> <p>Borrower is seriously delinquent (60 or more days past due) and has a current loan-to-value (LTV) ratio of 75% or higher;</p> <p>The borrower is current but is likely to become seriously</p>		<p>34% without exceeding 42% of borrower's income.</p> <p>For borrowers whom taxes are not escrow shall be offered a first – year payment principle and interest equating 25% of borrower's income or close to 25% without exceeding 34%.</p>	<p>unsolicited restoration of the introductory interest rate on the borrower's mortgage for five years payments automatically; or</p> <p>c) A reduction of the interest rate to the introductory rate or lower (but no lower than 3.5%), an automatic conversion to a fix-rate loan will occur after five years based upon Fannie Mae 30-year fixed rate or the rate the borrower received immediately before the fifth anniversary of the loan modification; or</p> <p>d) An introduction of ten-year interest only period during which time the interest rate is reduced to no less than 3.5% to start with subsequent annual rate increase that can generate interest-only payments of no greater than 7.5% more than then period payment with a rate cap set at no more than 7%.</p> <p>Pay Option ARMs Loans:</p> <p>a) An FHA refinance under H4H; or</p> <p>b) an elimination of negative</p>	<p>A foreclosure avoidance budget shall be determined based on the difference between the likelihood and severity of the investor's projected loss in a foreclosure sale and the likelihood and severity of the investor's projected loss in the event the borrower were to receive a loan modification and later experience foreclosure.</p> <p>Implement program without regard to the existence of junior liens.</p> <p>Waiver of all late and delinquent fees and will not charge loan modification fees unless required to do so by FHA under H4H.</p>

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	<p>delinquent as a result of a rate increase or contractual payment recast and has a current LTV of 75% or higher; or</p> <p>The borrower becomes seriously delinquent at any time before June 30, 2012 and has a current LTV ratio of 75% or higher.</p> <p>For other types of subprime mortgage the borrower is eligible if the first or third criteria met.</p>			<p>amortization feature, a write-down of the principle balance for borrowers who are single property owners and currently have no equity in their homes to as low as 95 and a reduction of the interest rate on the mortgage (subject to an interest-rate floor of 2.5%); or</p> <p>c.) Elimination of the negative amortization, a write-down of the principal balance for borrowers who are single property owners and currently have no equity in their homes to as low as 95% of the current value of their property, introduction of a ten-year interest-only payment, and reduction of the interest rate on mortgage (subject to an interest-rate floor of 3.5%) with fixed step-rate interest adjustment such that the borrower's interest payments increases by no more than 7.5% each year and subject to a lifetime</p> <p>Other Subprime Loans:  a) FHA refinance under H4H; or  b) borrowers will be offered a</p>	

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<p>Date released: 10/06/08</p> <p>Contact Info: (800) 669-6607</p>				<p>reduction of interest rate to no lower than a 2.5% floor, permits payment step increases of no more than 7.5% each year, and subjects to a lifetime interest-rate cap of 2% below the fixed interest rate, in the case of fixed rate loans, and 2% below the highest contractual rate that would have been payable based on the applicable interest rate index as of the date immediately before the loan modification, in the case of ARM;</p> <p>c) Introduction of ten-year interest only period and a reduction of the rate on the mortgage (subject to an interest-rate floor of 3.5%) with fixed step-rate of no more than 7.5% lifetime cap of 2% below fixed rate for fixed-rate loans and 2% below contractual rate for ARM.</p>	
<p><b>Fannie Mae/Freddie Mac</b></p> <p><b><i>Streamlined Loan Modification Program</i></b></p>	<p>1<sup>st</sup> lien conforming conventional mortgage loans that was originated on or before January 1, 2008</p>	<p>Freddie Mac, Fannie Mae or portfolio loan with participating investors.</p> <p>Loan is not insured or guaranteed by a</p>	<p>Mortgage payment, including homeowner association dues, of no more than 38% of monthly gross income.</p> <p>Changes in the terms</p>	<p>Reduction of interest rate, extension of loan terms, deferring payment on the principal.</p> <p>The borrower must first make three payments under the proposed modified terms <i>before</i> the</p>	<p>Servicers will implement the program by December 15, 2008. They will be paid \$800 for each loan modified through the program.</p>

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	<p>At least 3 months past due</p> <p>Loan is secured by one-unit property that is the borrower's principle residence</p> <p>The current mark-to-market loan-to-value (LTV) ratio is equal to or greater than 90 percent based on a valuation provided by Fannie Mae or an appraisal, or an estimated sales price from a broker's price opinion (BPO)</p> <p>The borrower documents a financial hardship by completing the Streamline Modification Program Hardship Affidavit and by providing income</p>	<p>federal government agency (FHA, HUD, VA, and Rural Development mortgage loans)</p> <p>Fannie Mae: Mortgage Loan that are not a daily simple interest mortgage loan.</p>	<p>may include one or more of the following: Adding the accrued interest, escrow advances and costs to the principal balance of the loan, if allowed by state law;</p> <p>Extending the length of the mortgage loan as appropriate;</p> <p>Reducing the mortgage loan interest rate in increments of 0.125 percent to an interest rate that is not less than 3 percent. If the new rate is set below the market interest rate, after five years it will step up in annual increments to either the original loan interest rate or the market interest rate at the time of the modification, whichever is lower;</p>	<p>modification is complete.</p>	<p>Freddie Mac announced a six-week suspension of all foreclosures sales and scheduled evictions on occupied single family 1-4 unit Primary Residences with Freddie Mac-owned Mortgages beginning 11-26-2008 through 01-09-2009</p> <p>Fannie has also directed servicer to suspend foreclosure sales and the completion of eviction on occupied single family properties through 01-09-2009</p> <p>* Fannie and Freddie extended Foreclosure Sale and Eviction Suspension until January 31, 2009.</p>

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<p>Fannie Mae Date Released: 12/12/08 Contact info: 800-7FANNIE</p> <p>Freddie Mac Date Released: 12/12/08 Contact Info: 800-FREDDIE</p>	<p>information</p> <p>Property securing the loan must not be abandoned, vacant, condemned, or in a serious state of repair</p> <p>The borrower is not currently subject to a performing repayment plan or loan modification or other workout related to the loan.</p> <p>Must not currently be involved in litigation regarding the mortgage loan other than routine foreclosure action.</p> <p>Must not currently be involve in a bankruptcy proceeding.</p>		<p>Forbearing on a portion of the principal, which will require the borrower to make a balloon payment when the loan matures, is paid off, or is refinanced.</p>		
<p><b>FDIC – IndyMac Streamlined Loan Modification Program</b></p>	<p>Borrowers who are seriously delinquent or in default due to</p>	<p>Borrowers who have a first mortgage owned or securitized</p>	<p>Monthly payment (principal, interest, taxes and insurance)</p>	<p>Reduction in interest rate, extend the term of the loan, and principal forbearance</p>	<p>Mortgages that are only serviced by IndyMac may be subject to</p>

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Date Released: 08/20/08	payment resets or changes in repayment capacities. Program applies only to mortgages on the borrower's primary residence. Borrowers must demonstrate financial hardship by documenting their income	and serviced by IndyMac Federal	reduced to between 31% - 38% of monthly income	Interest rate may be reduced temporarily (5 years) below the current Freddie Mac survey rate if necessary to achieve a 38% DTI. After five years, the interest rate would increase by no more than 1% per year until it capped at the Freddie Mac survey rate where it would remain for the balance of the loan term.	additional contractual limits on modifications.  Borrower will not be charged fees or other charges for modification. All unpaid late charges will be waived.
<b>FDIC Loss Sharing Proposal to Promote Affordable Loan Modifications</b>  <i>*FDIC's modification proposal for the mortgage industry</i>  <b>"Mod in a Box"</b>	Borrowers who are 60 or more days behind. Limited to loans secured by owner occupied properties (can not be second home or an investment property). Foreclosure sale is not imminent and the borrower is currently not in bankruptcy, or has not been discharged from Chapter 7 bankruptcy since the loan was originated.	Depends on the servicer that adopts the program or any restrictions in securitization documents.	Determine a payment borrower can afford by multiplying the borrower's gross monthly income times the appropriate housing-to-income (HTI) ratio, less taxes and insurance to achieve a minimum payment reduction of 10%.  If the initial modification calculation of at 38% does not decrease the borrower's payment by 10% or more, the HTI	Reduction of interest rate to no lower than 3% for 5 years and gradual increase (by no more than 1% annually until the Freddie Mac Weekly Survey rate is achieved); if original loan term is 30 years, amortize over 40 years but maturity date will not change; principal forbearance (splits debt into an interest bearing, amortizing portion and 0%, zero payment portion) due when the loan is paid in full.	Investors' interests are protected by requiring that the cost of modification is less than the estimated cost of foreclosure (the Net Present Value (NPV) floor).  <a href="#">NPV Worksheet</a>

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Date Released: 11/20/08			<p>ratio is lowered to 35% and then lowered to 31% to achieve the 10% savings.</p> <p>In cases where 10% savings cannot be achieved, the 31% HTI ratio is used for affordability.</p>		
<p><b>HOPE For Homeowners (H4H)</b></p> <p><i>Refinance Program</i></p> <p>Date Released: 10-01-2008</p> <p>Contact info: (888) 297-8685</p>	<p>Mortgage originated on or before January 1, 2008.</p> <p>Cannot afford current loan.</p> <p>Have a minimum of six full payments on their existing first mortgage and did not intentionally miss mortgage payments.</p> <p>Do not own a second home.</p> <p>Their mortgage debt-to-income must be at least 31%.</p>	<p>Mortgages from FHA – approved lenders who are participating in the H4H Program</p> <p>Mortgage that originated on or before January 1, 2008.</p> <p>Lien-holders of existing senior mortgages:</p> <p>Waived all prepayments penalties and late fees</p> <p>Agree to accept proceeds of the new</p>	<p>Loans refinanced into a new 30-year or 40-year fixed-rate mortgage insured by the Federal Housing Administration (FHA).</p> <p>Interest rate will be provided by the lender and is based on current market rates.</p>	<p>H4H program will maintain FHA’s long-standing requirement that new loans be based on a family’s long-term ability to repay the mortgage.</p> <p>Program mortgage may have an LTV of greater than 90% (up to a maximum of 96.5%) of the home’s current appraised value including the Upfront Mortgage Insurance Premium (UFMIP) provided the borrower’s mortgage payment-to-income ratio and total debt-to-income ratio under the new mortgage do not exceed 31% and 43% respectively or of the program mortgage has an LTV of 90% or less of current appraised value (including UFMIP), the borrower’s mortgage payment debt-to-income ratio and a total debt-to-income ratio</p>	<p>H4H program is effective for endorsement on or after October 1, 2008, through September 30, 2011.</p> <p>May be closing cost associated with H4H loans; however borrower <b>may</b> not be required to pay out of pocket.</p> <p>If there is a subordinate lien, lien-holder must accept proceeds from refinance as payment in full but have no obligation to agree.</p>

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	<p>Did not knowingly or willingly provide false information to obtain the existing mortgage, and they have not been convicted of fraud in the last 10 years.</p>	<p>H4H mortgage as payment in full</p> <p>Release their outstanding mortgage lien</p> <p>Lien-holders of subordinate mortgages:</p> <p>Waived all prepayments penalties and late fees</p> <p>Release their outstanding mortgage lien</p>		<p>may be up to 38% and 50% respectively.</p> <p>HUD is entitled to a percentage of the initial equity:</p> <p>During 1 year – 100% of equity is paid to FHA</p> <p>During 2 years – 90%</p> <p>During 3 years – 80%</p> <p>During 4 years – 70%</p> <p>During 5 years – 60%</p> <p>After 5 years – 50%</p>	<p><i>* HUD does not lend out money directly. Lender must be willing to cooperate. Check with Current lender to ensure participation. Contact an FHA Approved housing counseling agency if in need of help working with existing lender.</i></p>
<p><b>HOPE NOW Streamlined Loan Modification Program</b></p> <p><i>Servicing Guidelines</i></p> <p>Date Released: 06/09/08</p>	<p>Borrowers who have missed three or more payments, have not filed for bankruptcy, and who own and occupy the property as a primary residence. Borrower must certify that they experienced hardship or change in financial circumstance.</p>	<p>Freddie Mac, Fannie Mae or portfolio loan with participating investors.</p>	<p>Mortgage payment, including homeowner association dues, of no more than 38% of monthly gross income.</p>	<p>Reduction of interest rate temporarily or permanently.</p> <p>Fix interest rate on ARM loans.</p> <p>Extend loan terms.</p> <p>Differ and capitalizing past due amounts.</p> <p>Defer principle causing balloon payment to be due at maturity or</p>	<p>Upon contact with homeowners who are 90 days or greater past due, and in imminent danger of losing their home to foreclosure, Member Servicers should consider pausing the foreclosure process, when possible, for up</p>

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Contact Info: (888) 995- HOPE				some other date.  Conditionally forgive portions of the debt.	to 30 days (or longer if necessary) to pursue a loss mitigation option where such an option may result in foreclosure prevention.
<b>JPMorgan Chase</b> <b><i>Proactive outreach</i></b>  Date released: 10/31/2008 & 01/16/09 Contact Info: (866) 550-5705	Applies only to owner-occupied properties.  Homeowners must show willingness to pay.  Borrowers that are 90 days delinquent (worked with Fannie Mae and Freddie Mac to implement their new Streamlined Modification programs; 19,000 letters were mailed in the last week of 2008).	Mortgages owned by Chase, Wamu or EMC or with investor approval. Extended to the investor owned loans that it services including investor-owned mortgages held in securitizations.	Will offer pre-qualified modification such as interest-rate reduction and/or principle forbearance.	Expand the range of financing alternative offered to modify pay-options ARMs, including 30-year, fix-rate loans with affordable payment, principle deferral and interest-only payments for 10 years  Developed a robust financial modeling tool to analyze and compare the net present value (NPV) of a home in foreclosure to the NPV of a proposed loan modification in order to determine if chase is acting in the best interest of investors when making loan modifications.	Chase has initiated an independent review process to ensure each borrower was contacted properly and offered modification prior to foreclosure, if appropriate.  Delayed starting foreclosure on over \$22 billion of Chase-owned mortgages to review those mortgages for possible modification.  <i>* No specific delay period mentioned</i>

Last Updated: January 23, 2009