

Office of
Mortgage Settlement
Oversight

May 21, 2013

Fact Sheet: Updated National Consumer Relief Data

“Since the Settlement was announced, I have released three prior progress reports that detailed the banks’ self-reported consumer relief data on a quarterly basis,” said Smith. “I believe it is important to continue to share this data with the public, and, accordingly have done so on my [website](#). However, I have not prepared a full report on this data because I am focusing my time testing the banks’ compliance with the Settlement and their year end consumer relief claims to give them appropriate credit as outlined in the Settlement. This allows me to provide the public with compliance and crediting reports as soon as possible.”

Background

Last week, as part of the National Mortgage Settlement (NMS), the five banks party to the agreement were required to provide the Monitor with consumer relief data on activities conducted between March 1, 2012 and March 31, 2013. This data has not yet been confirmed or approved by the Monitor. However, the ResCap parties asserted that it met its consumer relief requirements and the Monitor credited such relief in a report to the United States District Court for the District of Columbia on Feb. 14, 2013.

The numbers below represent gross dollar relief. Under the NMS, different types of relief receive different amounts of credit, and much of the relief, including short sales, will not be credited dollar for dollar. As such, the numbers reported here cannot be used to measure progress toward the banks’ \$20 billion requirement, except for the ResCap parties. The public will be informed about the other banks’ crediting progress relative to their obligations, as soon as the Monitor completes his testing in the next few weeks.

Consumer Relief Highlights

Program to Date: March 1, 2012 – March 31, 2013

The program-to-date state-level data is available [here](#). A map with state relief totals can be viewed [here](#).

- 621,712 borrowers benefited from some type of Consumer Relief totaling \$50.63 billion, which, on average, represents about \$81,437 per borrower. This figure includes both completed Consumer Relief and active first lien trial modifications.
- 387,420 borrowers received some type of Consumer Relief (a permanent or trial modification, an extinguishment, or refinancing assistance) to help them retain their homes, which amounts to \$29,226 billion, averaging approximately \$75,438 per borrower.
- 92,599 borrowers successfully completed a first lien modification and received \$10.132 billion in loan principal forgiveness, averaging approximately \$109,418 per borrower.
- 14,697 borrowers are in active first lien trial modifications as of March 31, 2013, the total principal value of which is \$1.966 billion. This represents potential relief of about \$133,776 per borrower if the trials are completed.
- Second lien modifications and extinguishments were provided to 206,727 borrowers, representing approximately \$14.193 billion in total relief. The average amount of relief for borrowers whose second liens were modified or extinguished was approximately \$68,655.
- Servicers refinanced 73,397 home loans with an average unpaid principal balance of \$226,285, reducing the average annual interest rate by approximately 2.25 percent. The total estimated benefit to borrowers from refinancing over the average life of the loan is approximately \$2.935 billion.¹ On average, each borrower will save approximately \$425 in interest payments each month.

¹ The estimated benefit to borrowers from refinancing is the estimated annual benefit multiplied by 7.85, which represents the Servicers’ weighted multiplier under the Settlement per Exhibit D, ¶ 9.e.ii.1, and is consistent with what some of the Servicers are reporting in their filings with the U.S. Securities and Exchange Commission. The estimated annual benefit to borrowers is the product of the average annual interest rate reduction, the average unpaid principal loan balance and the number of borrowers.

- 175,187 borrowers had either a short sale completed during this period, or the lender accepted a deed in lieu of foreclosure, waiving any unpaid principal balance in either case. The total amount of this type of relief was approximately \$20.076 billion, or about \$114,600 per borrower.
- Through the various other Consumer Relief programs outlined in the Settlement documents,² the Servicers provided \$1.327 billion in relief to 59,105 borrowers. The average relief of these other programs amounts to approximately \$22,458 per borrower.

First Quarter 2013: January 1, 2013 – March 31, 2013

The Q1 2013 state-level data is available [here](#).

- 104,721 borrowers benefited from some type of Consumer Relief totaling \$9.028 billion, which, on average, represents about \$86,207 per borrower. This figure includes both completed Consumer Relief and active first lien trial modifications.
- 90,329 borrowers received some type of Consumer Relief (a permanent or trial modification, an extinguishment, or refinancing assistance) to help them retain their homes, which amounts to \$8.066 billion, averaging approximately \$89,294 per borrower.
- 22,247 borrowers successfully completed a first lien modification and received \$2.773 billion in loan principal forgiveness, averaging approximately \$124,648 per borrower.
- 14,697 borrowers are in active first lien trial modifications as of March 31, 2013, the total principal value of which is \$1.966 billion. This represents potential relief of about \$133,776 per borrower if the trials are completed.
- Second lien modifications and extinguishments were provided to 36,388 borrowers, representing approximately \$2.599 billion in total relief. The average amount of relief for borrowers whose second liens were modified or extinguished was approximately \$71,419.
- Servicers refinanced 16,997 home loans with an average unpaid principal balance of \$274,239, reducing the average annual interest rate by approximately 1.99 percent. The total estimated benefit to borrowers from refinancing over the average life of the loan is approximately \$727.94 million.³ On average, each borrower will save approximately \$455 in interest payments each month.
- 6,161 borrowers had either a short sale completed during this period, or the lender accepted a deed in lieu of foreclosure, waiving any unpaid principal balance in either case. The total amount of this type of relief was approximately \$544.74 million, or about \$88,417 per borrower.
- Through the various other Consumer Relief programs outlined in the Settlement documents,⁴ the Servicers provided \$417.1 million in relief to 8,231 borrowers. The average relief of these other programs amounts to approximately \$50,675 per borrower.

² The other Consumer Relief programs can include enhanced borrower transitional funds paid by Servicer, Servicer payments to unrelated second lienholder for release of second lien, forbearance for unemployed borrowers, deficiency waivers, forgiveness of principal associated with a property in connection with a decision not to pursue foreclosure, cash costs paid by Servicer for demolition of property, and real-estate owned ("REO") properties donated.

³ See footnote 1.

⁴ See footnote 2.