



July 14, 2014

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HOPE NOW Reports 37K Permanent Loan Mods for Homeowners in May

Total Mortgage Solutions Outpace Foreclosure Sales for the Month

(WASHINGTON, DC) – HOPE NOW, the voluntary, private sector alliance of mortgage servicers, investors, mortgage insurers and non-profit counselors, released its May 2014 loan modification data. An estimated 37,000 homeowners received permanent, affordable loan modifications from mortgage servicers during the month. This total includes modifications completed under both proprietary programs and the government's Home Affordable Modification Program (HAMP).

Since 2007, approximately 7.05 million total homeowners have received loan modifications. This includes approximately 5.7 million proprietary loan modifications and 1,376,448 completed via HAMP (Note: HAMP reporting began in 2009).

Of the loan modifications completed in the month of May, an estimated 25,000 were through proprietary programs and 11,774 were completed via HAMP.

For the month of May, the combination of total loan modifications, short sales, deeds in lieu and workout plans outpaced foreclosure sales by a margin of almost four to one (approximately 151,600 solutions vs. 39,700 foreclosure sales).

Workout Plans Total 102K for Month

In the month of May, mortgage servicers completed approximately 102,000 workout plans for homeowners. These are non-loan modification, non-foreclosure alternatives that provide short term relief for homeowners who continue to work on permanent options. Repayment plans and liquidations options are part of this category.

Foreclosure Sales Decline, Starts Increase

Completed foreclosure sales declined in May, with approximately 38,700 for the month, compared to 40,000 in April – a decrease of 4%. Foreclosure starts

increased by the same percentage, with 67,200 reported in May compared to 64,800 reported in April.

Serious Delinquencies Continue to Decline

Delinquencies of 60 days or more were under two million for the third straight month – at approximately 1.90 million. Delinquency data is extrapolated from data received by the Mortgage Bankers Association for the first quarter of 2014.

Other Key Metrics: May vs. April

- Loan Modifications: Approximately 37,000 completed in May vs. 42,000 in April – a decrease of approximately 12%.
- Short sales – Approximately 10,000 completed in May vs. 12,000 in April – a decrease of 14%.
- Deed in-lieu: Approximately 2,600 completed in May vs. 2,800 in April – a decrease of 7%.

The full data set for May 2014 is available at www.hopenow.com.

Eric Selk, Executive Director, issued this statement:

“HOPE NOW reached a significant data milestone in April when its members reached the seven million loan modification mark. In May, the progress continues as loan modifications, short sales and deeds in lieu continue to outpace completed foreclosure sales. We have noted the number of short term solutions in this month’s data as well. These non-permanent options are crucial to homeowners who may have a loan modification or other permanent course of action on the horizon.

There are myriad options for homeowners struggling to pay their mortgages and the efforts of the industry remain strong. We are committed to reporting on all solutions available to homeowners, whether they are permanent or short term. Housing challenges vary from state to state and city to city and mortgage servicers have many tools at their disposal to handle these challenges.

Outreach events, in conjunction with Making Home Affordable, will be held in Riverside and Sacramento, California in July and Baltimore, Maryland in September. A special HOPE NOW homeowner event, with Congressman Patrick Murphy attending, will be held in Port St. Lucie, Florida in August. We are also working with several state level groups to host virtual, on-line events that cover large regions. So far in 2014, HOPE NOW has hosted five events with close to 1,500 homeowners in attendance.

Cheryl, a recent attendee at our event in Cleveland, remarked on the importance of having a live person available, not a phone or machine, who was sympathetic and compassionate to her issues and able to explain the answers to her

questions in great detail. Cheryl's story, and many others from homeowners who have attended our events, can be found on the HOPE NOW web site."



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Snapshot Industry Extrapolations and HAMP Metrics

						Three Month		
	Q1-2013	Q2-2013	Q3-2013	Q4-2013	Q1-2014	Mar-14	Apr-14	May-14
Total Completed Modifications	244,313	204,485	181,242	137,417	132,783	45,321	41,648	36,664
HAMP Permanent Modifications ¹	42,157	44,860	45,136	42,923	41,363	13,179	11,813	11,774
Proprietary Modifications Completed ²	202,156	159,625	136,106	94,494	91,420	32,142	29,835	24,890
Reduced P&I Modifications (10% or greater)	156,454	124,729	105,161	62,564	52,920	17,590	19,099	16,703
% of Proprietary Modifications	77%	78%	77%	66%	58%	55%	64%	67%
Completed Short Sale	84,857	81,388	67,589	48,507	33,902	10,813	11,975	10,341
Deed-In-Lieu	9,052	7,847	7,259	8,092	7,409	2,514	2,796	2,589
Foreclosure Starts	399,595	323,476	290,099	264,152	217,125	70,280	64,825	67,238
Foreclosure Sales	169,281	157,633	166,809	130,721	126,318	39,275	40,148	38,712
60+ Days Delinquency	2,418,552	2,210,410	2,106,089	2,024,359	1,991,416	1,927,754	1,925,247	1,899,900

¹ Source - Making Home Affordable. Estimated.

² Extrapolated. Modifications Completed was revised in December 2009 to include Current Modifications and specifically exclude HAMP.

³ Survey data may be restated from time to time based on servicers' collection and reporting. HOPE NOW reports and extrapolates data as provided by servicers to a third-party data aggregation vendor. Any data changes will be reflected in monthly reporting.



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Total Solutions Industry Extrapolations and HAMP Metrics (July 2007 - May 2014)

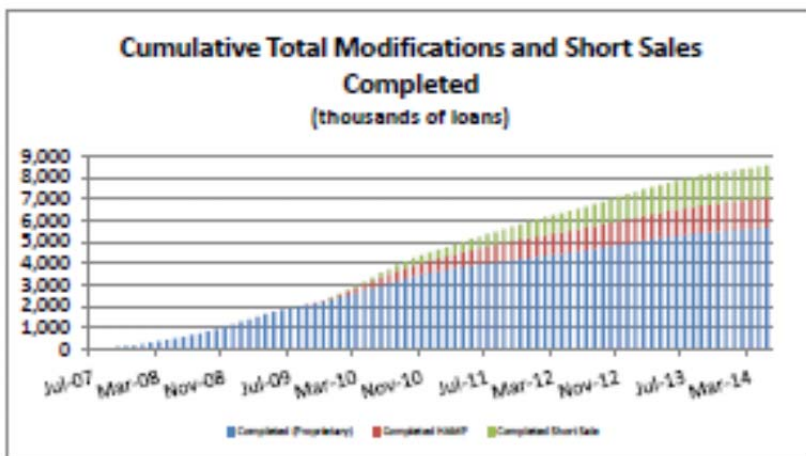
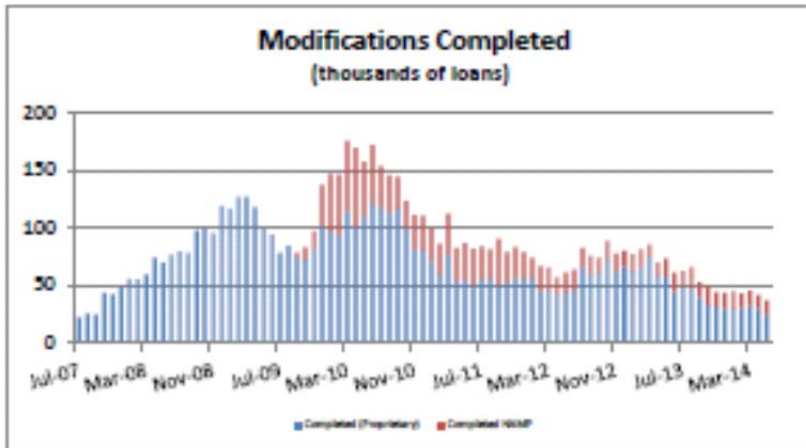
"LIFE TO DATE" TOTAL SOLUTIONS

	Q3-Q4 2007	2008	2009	2010	2011	2012	2013	Mar-14	Apr-14	May-14	"Life to Date" Total
Total Solutions	912,671	2,258,603	4,252,078	4,579,587	3,640,540	3,055,985	2,649,630	169,328	158,004	149,301	22,156,910
HAMP Permanent Modifications ¹	N/A	N/A	66,938	512,712	353,677	203,095	175,076	13,179	11,813	11,774	1,376,448
HAMP Trial Modifications ¹	N/A	N/A	955,000	526,000	293,595	200,865	176,064	10,385	10,171	10,152	2,204,441
Proprietary Modifications Completed ²	206,240	961,355	1,172,490	1,245,095	692,385	660,642	592,382	32,142	29,835	24,890	5,676,735
Other Workout Plans Completed (Non-HAMP) ³	706,431	1,297,248	2,057,649	2,295,780	2,300,883	1,991,383	1,706,108	113,622	106,185	102,485	12,899,287

¹ Source - Making Home Affordable. Estimated. Trial modifications that become permanent may be double counted

² HOPE NOW data is extrapolated based on the "MBA Delinquency Survey" for Q1-2014. MBA estimates that its survey covers approximately 88% of the total industry. HOPE NOW data estimates for May 2014 may increase or decrease slightly when the MBA releases its Delinquency Survey data for Q2-2014.

³ Extrapolated. Other Workout Plans Completed is comprised of Repayment Plans Initiated (tracked from Q3-2007), Other Retention Plans Completed and Liquidation Plans (tracked from December 2009).



Source: Making Home Affordable and HOPE NOW
 HOPE NOW has collected data on Completed (Proprietary) Modifications since 2007. Data for Completed HAMP loans began in September 2009.
 HOPE NOW began collecting short sale data in December of 2009.

HOPE NOW is the industry-created alliance of mortgage servicers, investors, counselors, and other mortgage market participants, brought together by the Financial Services Roundtable, Housing Policy Council and Mortgage Bankers Association, that has developed and is implementing a coordinated plan to help as many homeowners as possible prevent foreclosure and stay in their homes. For more information go to www.HopeNow.com or call the free Homeowner's HOPE™ Hotline at (888) 995-HOPE™.

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