

August 26, 2009 Columbia Collateral File Summary Statistics

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This is a summary of the August 26 investor report and covers the 7/27/09 to 8/26/09 period.

The anticipated resurgence of permanent loan modifications, as a result of the Administration's Home Affordable program, has not yet materialized. The number of mortgage modifications, which peaked at 23,749 in February 2009, continued declining from prior months, to 13,268 in August. It appears that servicers may be substituting 3-month trial modifications under the Administration's Home Affordable program (which are not reported as modifications) for final modifications that would have been put in place in prior months. The net impact of Home Affordable thus far seems to be a significant reduction in the number of permanently modified mortgages, without significantly reducing the number of foreclosures or foreclosure sales. There is no evidence yet of significant numbers of HAMP temporary modifications becoming permanent.

The number of foreclosures in process declined slightly from the previous month. In the database of subprime and alt-A mortgages, there were 282,148 foreclosures, compared with 282,912 in July and 281,560 in June. The number of mortgage modifications fell to 13,268, compared with 14,149 in July and 18,179 in June. The modifications involving write-offs of principal, interest, or fees plunged from 17.2% in June to 8.1% in July to fewer than 4% in August (see data tables 3, 4, and 5). On the other hand, the share of modifications with payment reductions was about 64%, up from the 58-59% range in April, May, and June. 12% of modifications maintained the initial payment level while 24% increased the payment (principal and interest) over the initial contract payment (table 6). This is consistent with the Administration's plan, which emphasizes payment reductions but does not call for overall debt reduction.

Investors lost \$4.58 billion from foreclosures sales in August, down slightly from the \$4.72 billion in July losses. The average loss on foreclosed properties was \$149,950, representing a loss severity of 64% for the 30,654 foreclosures sales. The number of monthly foreclosure sales declined somewhat from the roughly 32,000 per month level of April through July, but still exceeds the 27,000 to 28,000 average from December 2008 through March, and remains close to the peak levels seen during the crisis as it enters its third year.

Meanwhile, fewer and fewer modifications include forgiveness of interest, fees or principal. Just a few more than 500 of the 13,268 modifications involved cancellation of more than \$1,000 in debt. The total recognized losses from modifications averaged only about 10% of loan balances, in contrast with the 64% lost on foreclosure sales. The aggregate losses from foreclosures were more than 300 times as much as the losses recognized from modifications (table 7). The few servicers who were writing off any debt as part of their modifications appear to have changed their policies, as concessionary modifications declined from more than 3,000 in June to the fewer than 600 recorded in August.

The Columbia Collateral file contains loan-level performance information for approximately 3 million subprime and alt-A mortgages (as of August 26, 2009), all of which are securitized in trusts for which Wells Fargo acts as trustee. The report is made available to investors each month on the 26th of the month, and covers the previous 30 days.

Tables

1. Foreclosure Status of Mortgages

DelinquentDesc				
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	58,306	1.9	1.9	1.9
3rd party foreclosure	91	.0	.0	1.9
Bankruptcy	72,663	2.4	2.4	4.3
Decision for foreclosure	282,148	9.3	9.3	13.6
Foreclosure with claim	115	.0	.0	13.6
Loan paid in full	79,198	2.6	2.6	16.3
Loss Mitigation	18,331	.6	.6	16.9
No Action	2,416,467	79.8	79.8	96.6
Relief Provision	4	.0	.0	96.6
REO	101,777	3.4	3.4	100.0
Repurchase	622	.0	.0	100.0
Total	3,029,722	100.0	100.0	

2. Days Past Due

DaysOverdo (Binned)					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Current	1,907,710	63.0	66.0	66.0
	1 - 30	194,889	6.4	6.7	72.7
	31 - 60	103,754	3.4	3.6	76.3

61 - 90	66,210	2.2	2.3	78.6
91 - 120	56,220	1.9	1.9	80.5
121+	562,806	18.6	19.5	100.0
Total	2,891,589	95.4	100.0	
Missing System	138133	4.6		
Total	3,029,722	100.0		

3. Frequency of write-offs by category

PrincipalForgivenessAmount (Binned)

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 0.01 - 20000	377	2.8	73.8	73.8
20000 - 40000	80	.6	15.7	89.4
40000 - 60000	27	.2	5.3	94.7
60000 - 80000	8	.1	1.6	96.3
80000 - 100000	9	.1	1.8	98.0
100000+	10	.1	2.0	100.0
Total	511	3.9	100.0	
Missing System	12758	96.1		
Total	13269	100.0		

InterestForgivenessAmount (Binned)

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid 0.01 - 5000	455	3.4	82.0	82.0
5000 - 10000	53	.4	9.5	91.5
10000 - 15000	12	.1	2.2	93.7
15000 - 20000	5	.0	.9	94.6
20000 - 25000	30	.2	5.4	100.0
Total	555	4.2	100.0	
Missing System	12714	95.8		

InterestForgivenessAmount (Binned)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0.01 - 5000	455	3.4	82.0	82.0
	5000 - 10000	53	.4	9.5	91.5
	10000 - 15000	12	.1	2.2	93.7
	15000 - 20000	5	.0	.9	94.6
	20000 - 25000	30	.2	5.4	100.0
	Total	555	4.2	100.0	
Missing System		12714	95.8		
Total		13269	100.0		

ExpenseForgivenessAmount (Binned)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0.01 - 2000	145	1.1	79.7	79.7
	2000 - 4000	11	.1	6.0	85.7
	4000 - 6000	11	.1	6.0	91.8
	6000 - 8000	1	.0	.5	92.3
	8000 - 10000	5	.0	2.7	95.1
	10000+	9	.1	4.9	100.0
	Total	182	1.4	100.0	
Missing System		13087	98.6		
Total		13269	100.0		

4. Write-off amounts on modified loans (Loss on Liquidated Property)

LossonLiquidatedProperty (Binned)

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid <= 0.00	6	.0	.8	.8
0.01 - 10000	477	3.6	64.0	64.8
10000 - 20000	82	.6	11.0	75.8
20000 - 30000	64	.5	8.6	84.4
30000 - 40000	40	.3	5.4	89.8
40000 - 50000	18	.1	2.4	92.2
50000+	58	.4	7.8	100.0
Total	745	5.6	100.0	
Missing System	12524	94.4		
Total	13269	100.0		

5. Summary Statistics for Modified Loans

Descriptive Statistics

	N	Minimum	Maximum	Sum	Mean
LossonLiquidatedProperty	745	-96798.22	283429.40	1.17E7	15688.9650
LoLOver1000	528	1016.23	283429.40	1.17E7	22167.9177
PartialPrepayment+	12149	-295,511.31	237,643.47	-1.35E8	-11,124
InterestForgivenessAmount	555	.05	84536.46	2486436.66	4480.0661
ExpenseForgivenessAmount	182	.10	51815.33	363194.52	1995.5743
PrincipalForgivenessAmount	511	.11	173874.55	8048975.57	15751.4199
PandIChange	12381	-919292.33	6542.99	-1.18E7	-952.5011
PandIChangeNorm	12329	-4856.33	3172.66	-2.25E6	-182.2162
OriginalBalance	13268	98880	38850000	3.E10	2223050.66

Descriptive Statistics

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LossonLiquidatedProperty	745	-96798.22	283429.40	1.17E7	15688.9650
LoLOver1000	528	1016.23	283429.40	1.17E7	22167.9177
PartialPrepayment+	12149	-295,511.31	237,643.47	-1.35E8	-11,124
InterestForgivenessAmount	555	.05	84536.46	2486436.66	4480.0661
ExpenseForgivenessAmount	182	.10	51815.33	363194.52	1995.5743
PrincipalForgivenessAmount	511	.11	173874.55	8048975.57	15751.4199
PandIChange	12381	-919292.33	6542.99	-1.18E7	-952.5011
PandIChangeNorm	12329	-4856.33	3172.66	-2.25E6	-182.2162
OriginalBalance	13268	98880	38850000	3.E10	2223050.66
Valid N (listwise)	116				

+Positive partial prepayments are cash tendered by the borrower. Negative partial prepayments are amounts of unpaid interest and fees added to the principal balance.

6. Frequency of payment increase or decrease (difference between initial P&I payment and current P&I payment)

PandIChangeNorm (Binned)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Negative	7848	59.1	63.7	63.7
	Zero	1478	11.1	12.0	75.6
	Positive	3003	22.6	24.4	100.0
	Total	12329	92.9	100.0	
Missing Data		940	7.1		
Total		13269	100.0		

7. Comparison of Foreclosure Losses and Modification Write-Downs:

June 25, 2009 Columbia Collateral file (subprime and alt-A)					
	Number	Avg Loss	Avg Original Balance	Loss severity	Total Losses
Liquidated Foreclosures*	31,856	\$143,987	\$222,714	64.65%	\$4,59 billion
Loan Modifications with write-offs*	3,135	\$14,353	\$223,162	6.43%	\$44,996,967
Ratio of Foreclosure losses to Modifications write-downs:					102
July 27, 2009 Columbia Collateral file (subprime and alt-A)					
	Number	Avg Loss	Avg Original Balance	Loss severity	Total Losses
Liquidated Foreclosures*	32,190	\$146,716	\$227,998	64.35%	\$4.72 billion
Loan Modifications with write-offs*	1,140	\$17,539	\$226,458	7.74%	\$19,994,141
Ratio of Foreclosure losses to Modifications write-downs:					236
August 26, 2009 Columbia Collateral file (subprime and alt-A)					
	Number	Avg Loss	Avg Original Balance	Loss severity	Total Losses
Liquidated Foreclosures*	30,654	\$145,950	\$227,394	64.18%	\$4.58 billion
Loan Modifications with write-offs*	528	\$22,168	\$222,305	9.97%	\$11,700,000
Ratio of Foreclosure losses to Modifications write-downs:					391

*Loss on Liquidated Property field with value >\$1,000. The Loss field records both losses after foreclosure sales and losses resulting from modification write-downs.