

July 27, 2009 Columbia Collateral File Summary Statistics

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This is a summary of the July 27 investor report and covers the 6/25/09 to 7/27/09 period.

The number of mortgage modifications, which peaked in February 2009, declined sharply in July 2009, down 22% from the prior month. 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. Thus, the net impact of Home Affordable thus far seems to be a significant reduction in the number of permanently modified mortgages, without reducing the number of foreclosures or foreclosure sales, at least as of yet.

The number of foreclosures in process remained about the same as the previous month. In the database of subprime and alt-A mortgages, there were 282,912 foreclosures, a small increase from 281,560 in June. The number of mortgage modifications fell to 14,149, a 22.2% decrease from the 18,179 in June. The modifications involving write-offs of principal, interest, or fees decreased from 17.2% in June to 8.1% in July (see data tables 3, 4, and 5). On the other hand, the share of modifications with payment reductions was about 65%, up from the 58-59% range in April, May, and June. 11% 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 \$4.72 billion from foreclosures sales in July, which was an increase compared with the \$4.59 billion in June. This increase represents a 3% growth, or roughly \$139 million more than the losses from June. The average loss was \$146,716, representing a loss severity of 64.35% for the 32,190 foreclosures sales. The number of monthly foreclosure sales remains at the highest levels seen during the crisis, up from a slight lull that occurred from December to March (table 7).

Meanwhile, write-offs in connection with mortgage modifications experienced some bigger changes. The total loss from write-offs for modifications was \$20 million, which is a decrease of 56% when compared to June's \$45 million and is the smallest monthly sum since tracking began in November 2008. Only 1,140 mortgage modifications had write-offs, which is a 64% decrease from the 3,135 in June and also represents less than 50% of the next smallest total, which was 2,343 in May 2009. Of these 1,140 modifications, there was an average of \$17,539 per write-off, roughly a 22% increase compared to June's average of \$14,353. The average write-off represented 7.7% of the original loan amount, while June's loss severity on a modified loan with a write-off was 6.4%. There were 28.2 times as many liquidated foreclosures as there were mortgage modifications with write-offs, compared with the previous month in which there were 10.2 times as many. Due to the drastic decrease of loan modifications with write-offs while liquidated foreclosures remained fairly level, the ratio of foreclosure losses to modification write-downs jumped from 102:1 to 236:1 (table 7).

Delinquencies and foreclosures in process continued their upward trends from prior months, while the total number of REO mortgages continued its downward trend. As of July 27, 2009, 34% of the represented mortgages were 30 days or more delinquent (table 2). The number of mortgages 120 days or more delinquent increased to 619,338 in July. The volume of foreclosures in process and bankruptcy increased slightly, but remained at 9% and 2% respectively, while REO properties declined slightly to 3% (table 1).

The Columbia Collateral file contains loan-level performance information for approximately 3.1 million subprime and alt-A mortgages (as of July 27, 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.

1. Delinquent Descriptions

DelinquentDesc				
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	49302	1.6	1.6	1.6
3rd party foreclosure	95	.0	.0	1.6
Bankruptcy	71409	2.3	2.3	3.9
Decision for foreclosure	282817	9.1	9.1	13.0
Foreclosure with claim	116	.0	.0	13.0
Loan paid in full	99075	3.2	3.2	16.2
Loss Mitigation	19678	.6	.6	16.8
No Action	2475777	79.7	79.7	96.5
Relief Provision	4	.0	.0	96.5
REO	106848	3.4	3.4	100.0
Repurchase	633	.0	.0	100.0
Total	3105754	100.0	100.0	

2. Days Past Due

DaysOverdo (Binned)				
	Frequency	Percent	Valid Percent	Cumulative Percent

Valid	Not	307191	9.9	10.4	10.4
	1 - 30	1655867	53.3	56.0	66.4
	31 - 60	200832	6.5	6.8	73.2
	61 - 90	105176	3.4	3.6	76.7
	91 - 120	68304	2.2	2.3	79.1
	121+	619338	19.9	20.9	100.0
	Total	2956708	95.2	100.0	
Missing	System	149046	4.8		
Total		3105754	100.0		

3. Frequency of write-offs by category

PrincipalForgivenessAmount (Binned)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0.01 - 20000	237	1.7	58.2	58.2
	20000 - 40000	70	.5	17.2	75.4
	40000 - 60000	27	.2	6.6	82.1
	60000 - 80000	22	.2	5.4	87.5
	80000 - 100000	14	.1	3.4	90.9
	100000+	37	.3	9.1	100.0
	Total	407	2.9	100.0	
Missing	System	13742	97.1		
Total		14149	100.0		

InterestForgivenessAmount (Binned)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0.01 - 5000	691	4.9	75.6	75.6
	5000 - 10000	94	.7	10.3	85.9
	10000 - 15000	44	.3	4.8	90.7
	15000 - 20000	28	.2	3.1	93.8

	20000 - 25000	57	.4	6.2	100.0
	Total	914	6.5	100.0	
Missing	System	13235	93.5		
Total		14149	100.0		

ExpenseForgivenessAmount (Binned)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0.01 - 2000	112	.8	75.2	75.2
	2000 - 4000	12	.1	8.1	83.2
	4000 - 6000	7	.0	4.7	87.9
	6000 - 8000	2	.0	1.3	89.3
	8000 - 10000	4	.0	2.7	91.9
	10000+	12	.1	8.1	100.0
	Total	149	1.1	100.0	
Missing	System	14000	98.9		
Total		14149	100.0		

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

LossonLiquidatedProperty (Binned)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	<= 0.00	3	.0	.3	.3
	0.01 - 10000	784	5.5	68.8	69.0
	10000 - 20000	115	.8	10.1	79.1
	20000 - 30000	63	.4	5.5	84.6
	30000 - 40000	42	.3	3.7	88.3
	40000 - 50000	21	.1	1.8	90.2
	50000+	112	.8	9.8	100.0
	Total	1140	8.1	100.0	

Missing	System	13009	91.9	
Total		14149	100.0	

5. Averages for the last four tables

Descriptive Statistics

	N	Minimum	Maximum	Sum	Mean
LossonLiquidatedProperty	1140	-191407.98	337391.14	19994141.15	17538.7203
InterestForgivenessAmount	914	.01	239184.65	5255108.18	5749.5713
ExpenseForgivenessAmount	149	4.34	54037.36	436654.54	2930.5674
PrincipalForgivenessAmount	407	.01	329816.47	13285598.47	32642.7481

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

PandIChange (Binned)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Negative	8523	60.2	64.5	64.5
	Zero	1498	10.6	11.3	75.8
	Positive	3197	22.6	24.2	100.0
	Total	13218	93.4	100.0	
Missing	System	931	6.6		
Total		14149	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%	\$4,586,843,026
Loan Modifications with write-offs	3,135	\$14,353	\$223,162	6.43%	\$44,996,967
Ratio of Foreclosure losses to Modifications write-downs:					101.94

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%	\$4,722,792,458
Loan Modifications with write-offs	1,140	\$17,539	\$226,458	7.74%	\$19,994,141
Ratio of Foreclosure losses to Modifications write-downs:					236.21