

March 26, 2010 Columbia Collateral File Summary Statistics

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This is a summary of the March 26 investor report and covers 2/26/10 to 3/26/10 period. This database of subprime and alt-A securitized mortgages covers about 5% of the mortgage market, and about 20% of foreclosures and mortgage modifications.

March saw a significant increase in modifications in the Columbia pools. After nearly a year of declines in permanent modifications apparently resulting from the implementation of Treasury's HAMP program, there were 21,821 permanent modifications in March 2010. This total almost matched the pre-HAMP peak of 23,224 in February 2009. This is significant jump from the February 2010 (14,592) and January 2010 (15,642) totals. It appears that after twelve months of depressing permanent modifications, HAMP's net impact is now roughly neutral. The Columbia database does not distinguish between HAMP and non-HAMP modifications, i.e. between mortgage modifications eligible for Treasury subsidies and those initiated by servicers independently. HOPE NOW reports that about two-thirds of modifications in January 2010 were non-HAMP eligible.

The number of foreclosure liquidations continues to decline from its peak in March of 2009. There were 20,762 liquidated foreclosures in the month of March, down from January (22,506) and February (20,889). It should be noted that the total pool of mortgages in this database is declining at a rate of about 1% to 2% per month. Thus the concluded foreclosure level can be regarded as holding steady and not increasing, rather than as declining significantly.

The number of foreclosures in process declined slightly, also in rough correspondence with the declining size of the loan pools in the database. In the database of subprime and alt-A mortgages, there were 262,338 foreclosures pending, compared with 275,560 in December 2009, 273,559 in January, and 268,569 in February.

HAMP has clearly affected the terms of modifications. The share of modifications with payment reductions (initial contract payment minus post-modification payment) was about 81.4%. This is significantly greater than the average range of 58% in the second quarter of 2009. In fact, 81.4% is the largest percentage of payment reductions to date. Of the remainder, 6.3% of the modifications maintained or returned to the initial payment level while 12.4% increased the payment (principal and interest) over the initial contract payment. This is consistent with the design of the HAMP program, which emphasizes payment reductions rather than overall debt reduction, and also suggests that payment reduction has become the goal for non-HAMP modifications.

Investors lost \$3.01 billion from foreclosures sales in March 2010. The average loss on foreclosed properties was \$145,202 representing a loss severity of 63.62% of original principal for the 20,762 foreclosure sales. (Loss severity calculated on the basis of total unpaid interest, principal and

fees would be somewhat less.) The number of monthly foreclosure sales declined slightly from 20,889 in February and is considerably less than the 32,000 per month peak levels of April to July 2009.

Meanwhile, over the past four months the number of modifications that include a forgiveness of debt has increased but remains very low. Of the 21,821 modifications, 1,483 or about 7%, involved cancellation of more than \$1,000 in debt. In contrast, 615 in September, 753 in October, and 982 in November involved a cancellation of more than \$1000 in debt. In terms of the number of write-offs, this is promising, but principal reduction is still exceptional, at least for securitized mortgages.

The total recognized losses from modifications with write-downs averaged about 13% of the loan balances, in contrast with the 63.62% lost on foreclosure sales. The aggregate losses from foreclosures were nearly 65 times as much as the losses recognized from modifications.

The Columbia Collateral file contains loan-level performance information for approximately 2.7 million subprime and alt-A mortgages (as of March 26,2010), 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 25th or 26th of the month, and covers the previous 30 days.

DelinquentDesc

	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	33421	1.2	1.2	1.2
3rd party foreclosure	56	.0	.0	1.2
Bankruptcy	69777	2.6	2.6	3.9
Decision for foreclosure	262338	9.8	9.8	13.6
Foreclosure with claim	118	.0	.0	13.6
Loan paid in full	46984	1.8	1.8	15.4
Loss Mitigation	6606	.2	.2	15.6
No Action	2174811	81.1	81.1	96.8
Relief Provision	2	.0	.0	96.8
REO	86264	3.2	3.2	100.0
Repurchase	605	.0	.0	100.0
Total	2680982	100.0	100.0	

DaysOverdo (Binned)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not	224150	8.4	8.6	8.6
	1 - 30	1420063	53.0	54.6	63.2
	31 - 60	177298	6.6	6.8	70.1
	61 - 90	86022	3.2	3.3	73.4
	91 - 120	56791	2.1	2.2	75.6
	121+	635554	23.7	24.4	100.0
	Total	2599878	97.0	100.0	
Missing	System	81104	3.0		
Total		2680982	100.0		

Modifications: PandlChangeNormalized

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Negative	16183	74.2	81.4	81.4
	Zero	1245	5.7	6.3	87.6
	Positive	2462	11.3	12.4	100.0
	Total	19890	91.2	100.0	
Missing	System	1931	8.8		
Total		21821	100.0		

Descriptive Statistics - Modifications

	N	Minimum	Maximum	Sum	Mean
LossonLiquidatedProperty	2522	-83970.81	424717.60	46760451.32	18541.0196
LoLOver1000	1483	1000.48	424717.60	46500301.77	31355.5642
PartialPrepayment	20963	-478165.08	431886.49	-266871099.41	-12730.5777
InterestForgivenessAmount	1982	.01	131600.00	7845489.46	3958.3701
ExpenseForgivenessAmount	323	.03	75568.97	1680077.44	5201.4781
PrincipalForgivenessAmount	556	.08	416603.00	27103534.56	48747.3643
PandlChangeNorm	19890	-4823.75	3074.78	-8650252.58	-434.9046
OriginalBalance	21817	52000	42500000	52837269991	2421839.39
Valid N (listwise)	130				

March 26, 2010 Columbia Collateral file (subprime and alt-A)

	Number	Avg Loss	Avg Original Balance	Loss severity	Total Losses
Liquidated Foreclosures	20,762	\$145,202	\$228,227	63.62%	\$3 billion
Loan Modifications with write-offs > \$1000	1483	\$31,356	\$242,183	12.94%	\$46,500,300

Ratio of Foreclosure losses to Modifications write-downs:

65:1

