

November 26, 2009 Columbia Collateral File Summary Statistics

Alan M. White, Valparaiso University School of Law

This is a summary of the November 26 investor report and covers the 10/26/09 to 11/26/09 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.

Permanent modifications of securitized mortgages are still at about half the level that prevailed before the Administration's Home Affordable program (HAMP) was announced. The monthly total of permanent mortgage modifications has fallen by nearly half from its peak at 23,749 in February 2009, down to 12,908 in November, up just slightly from 12,132 in September and 12,704 in October (and down from 13,268 in August). Servicers are still concentrating on 3-month trial modifications under HAMP (which are not reported as modifications). The net impact of HAMP 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. This is troubling, because many HAMP agreements were put in place in May and June, and should have been converted to permanent modifications by this point.

The number of foreclosures in process declined slightly, in keeping with the declining size of the loan pools in the database. In the database of subprime and alt-A mortgages, there were 276,591 foreclosures pending, compared with 279,353 for October, 279,426 for September, 282,148 foreclosures in August, 282,912 in July and 281,560 in June. The number of mortgage modifications rose to 12,908, up from 12,132 in October, but down from 13,268 in August, 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 5% in November (see data tables 3, 4, and 5). On the other hand, the share of modifications with payment reductions was about 68%, up from the 58-59% range in April, May, and June. 11% of modifications maintained the initial payment level while 21% 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 rather than overall debt reduction.

Investors lost \$3.73 billion from foreclosures sales in November 2009. The average loss on foreclosed properties was \$147,800, representing a loss severity of 64% of original principal for the 25,266 foreclosures sales. The number of monthly foreclosure sales declined considerably from the roughly 32,000 per month level of April through July, roughly equal to the 27,000 to 28,000 average from December 2008 through March 2009, but 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. Of the 12,905 modifications, only 982 involved cancellation of more than \$1,000 in debt (most of them canceling only interest or fees and not principal). This contrasts with more than 12,000 of the modifications that INCREASED borrower debt by capitalizing an average of \$11,000 in interest and fees.

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 nearly 300 times as much as the losses recognized from modifications (table 7).

The Columbia Collateral file contains loan-level performance information for approximately 2.9 million subprime and alt-A mortgages (as of November 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 25th or 26th of the month, and covers the previous 30 days.

Tables

1. Delinquency and Foreclosure Status of Mortgages

DelinquentDesc				
	Frequency	Percent	Valid Percent	Cumulative Percent
Valid	49696	1.7	1.7	1.7
3rd party foreclosure	100	.0	.0	1.7
Bankruptcy	72843	2.5	2.5	4.3
Decision for foreclosure	276591	9.7	9.7	14.0
Foreclosure with claim	125	.0	.0	14.0
Loan paid in full	58376	2.0	2.0	16.0
Loss Mitigation	12122	.4	.4	16.4
No Action	2295871	80.3	80.3	96.8
Relief Provision	2	.0	.0	96.8
REO	91088	3.2	3.2	100.0
Repurchase	599	.0	.0	100.0
Total	2857413	100.0	100.0	

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2. Days Past Due

DaysOverdo (Binned)					
		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Not	2116219	74.1	77.0	77.0
	1 - 30	56023	2.0	2.0	79.0
	31 - 60	49607	1.7	1.8	80.8

	61 - 90	44467	1.6	1.6	82.4
	91 - 120	40955	1.4	1.5	83.9
	121+	441450	15.4	16.1	100.0
	Total	2748721	96.2	100.0	
Missing	System	108692	3.8		
Total		2857413	100.0		

3. Frequency of modified loans with write-offs by category

PrincipalForgivenessAmount (Binned)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0.01 - 20000	210	1.6	68.6	68.6
	20000 - 40000	64	.5	20.9	89.5
	40000 - 60000	11	.1	3.6	93.1
	60000 - 80000	6	.0	2.0	95.1
	80000 - 100000	1	.0	.3	95.4
	100000+	14	.1	4.6	100.0
	Total	306	2.4	100.0	
Missing	System	12602	97.6		
Total		12908	100.0		

InterestForgivenessAmount (Binned)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0.01 - 5000	1223	9.5	88.8	88.8
	5000 - 10000	84	.7	6.1	94.9
	10000 - 15000	27	.2	2.0	96.9
	15000 - 20000	12	.1	.9	97.7
	20000 - 25000	31	.2	2.3	100.0
	Total	1377	10.7	100.0	
Missing	System	11531	89.3		
Total		12908	100.0		

ExpenseForgivenessAmount (Binned)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	0.01 - 2000	140	1.1	74.1	74.1
	2000 - 4000	20	.2	10.6	84.7
	4000 - 6000	10	.1	5.3	89.9
	6000 - 8000	7	.1	3.7	93.7
	8000 - 10000	2	.0	1.1	94.7
	10000+	10	.1	5.3	100.0
	Total	189	1.5	100.0	
Missing	System	12719	98.5		
Total		12908	100.0		

4. Summary Statistics for Modified Loans

Descriptive Statistics

	N	Minimum	Maximum	Sum	Mean
LossonLiquidatedProperty	1656	-5173.27	403427.98	1.24E7	7494.6027
LoLOver1000	982	1002.07	403427.98	1.22E7	12394.7927
PartialPrepayment	12016	-388313.52	363803.93	-1.34E8	-1.1168E4
InterestForgivenessAmount	1377	.01	111253.43	3902679.14	2834.1896
ExpenseForgivenessAmount	189	1.60	33299.56	405463.53	2145.3097
PrincipalForgivenessAmount	306	1.18	340000.00	6843473.47	22364.2924
PandIChange	11789	-732583.11	6452.79	-1.17E7	-995.3158
PandIChangeNorm	11759	-4882.99	3576.86	-2.71E6	-230.2679
OriginalBalance	12905	6250	2200000	3.E9	221221.556
Valid N (listwise)	79				

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+Positive partial prepayments are cash tendered by the borrower. Negative partial prepayments are amounts of unpaid interest and fees added to the principal balance, i.e. capitalized arrears. Principal and Interest change Normalized excludes extreme values that probably reflect data entry errors. P&IChange is the difference between the initial contract P&I payment and the current P&I payment after modification.

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

PandIChangeNorm (Binned)

		Frequency	Percent	Valid Percent	Cumulative Percent
Valid	Negative	7955	61.6	67.7	67.7
	Zero	1305	10.1	11.1	78.7
	Positive	2499	19.4	21.3	100.0
	Total	11759	91.1	100.0	
Missing	System	1149	8.9		
Total		12908	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%	\$45 million
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%	\$20 million
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%	\$11.7 million
Ratio of Foreclosure losses to Modifications write-downs:					391

September 25, 2009 Columbia Collateral file (subprime and alt-A)					
	Number	Avg Loss	Avg Original Balance	Loss severity	Total Losses
Liquidated Foreclosures*	26,999	\$151,000	\$230,000	65.22%	\$4.08 billion
Loan Modifications with write-offs*	615	\$23,182	\$225,000	10.3%	\$ 14.3million
Ratio of Foreclosure losses to Modifications write-downs:					285

November 25, 2009 Columbia Collateral file (subprime and alt-A)					
	Number	Avg Loss	Avg Original Balance	Loss severity	Total Losses
Liquidated Foreclosures*	25,226	\$147,880	\$230,726	64%	\$3.73 billion
Loan Modifications with write-offs*	982	\$12,394	\$221,221	6%	\$ 12.2 million
Ratio of Foreclosure losses to Modifications write-downs:					305

*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.