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OBAMA ADMINISTRATION RELEASES JULY HOUSING SCORECARD

WASHINGTON- The U.S. Department of Housing and Urban Development (HUD) and the U.S. Department of the Treasury today released the [July edition](#) of the Obama Administration's Housing Scorecard – a comprehensive report on the nation's housing market. Data in the Housing Scorecard show continued signs of recovery as foreclosure starts and completions declined in June, though officials expect activity to increase in the coming months as firms lift delays in foreclosure processing. In addition, the inventory of houses for sale remained low; at current pace, it would take 6.6 months to sell the supply of existing homes on the market and 4.9 months to clear the new homes on the market. Experts consider a six month supply of homes to be a balanced market. Distressed sales remain a key factor, however, as the impact of serious delinquencies and underwater mortgages continue to temper market gains. The full report is available online at www.hud.gov/scorecard.

HUD Acting Assistant Secretary Erika Poethig said, "This month's indicators show momentum not seen since before the housing crisis as refinances through our enhanced Home Affordable Refinance Program continue to surge -- HARP loans represented 20 percent of total refinance volume in May, the largest increase since the program was launched in 2009. But with so many households still struggling to make ends meet, it's clear that we have more work ahead." Poethig continued, "That is why we are asking the Congress to approve the President's refinancing proposal so that more homeowners can receive assistance."

"HAMP continues to offer the deepest and most sustainable assistance available to prevent foreclosure. Homeowners in the program have a high likelihood of successfully overcoming their financial hardship and maintaining their mortgage payments for the long term," said Treasury Assistant Secretary for Financial Stability Tim Massad. "We remain committed to utilizing the tools we have available to help our country heal faster from an unprecedented crisis."

[July Housing Scorecard](#) features key data on the health of the housing market and the impact of the Administration's foreclosure prevention programs, including:

- **The Administration's foreclosure programs are providing relief for millions of homeowners as the housing market continues to recover from an unprecedented crisis.** More than 1.2 million homeowner assistance actions have taken place through the Administration's Making Home Affordable Program, while the Federal Housing Administration (FHA) has offered more than 1.4 million loss mitigation and early delinquency interventions. The Administration's programs continue to encourage improved standards and processes in the industry, with HOPE Now lenders offering families and individuals more than 2.9 million proprietary mortgage modifications through May.
- **Homeowners in HAMP continue to demonstrate long-term success in the program.** As of June, more than one million homeowners have received a permanent HAMP modification, saving approximately \$537 on their mortgage payments each month, and an estimated \$13.9 billion to date. In June, 75 percent of homeowners with non-GSE mortgages benefitted from principal reduction with their HAMP modification. Eighty-six percent of homeowners starting the program in the last two years have received a permanent modification. HAMP modifications continue to exhibit lower delinquency and re-default rates than private industry modifications, with 94 percent of homeowners still current on their modified payments after six months.

[View the Making Home Affordable Program Report with data through May 2012.](#)

Also featured this month is the Administration's Housing Scorecard Regional Spotlight on market strength in Miami, Florida and surrounding communities. The Miami metro area was one of the hardest hit areas in the nation following the housing market downturn and an area where the Administration's broad approach to stabilizing the housing market has been very active.

"The fragile signs of stability that the national data show for the broader housing market are even more delicate in the Miami market," said Poethig. "The Administration is working hard to help all homeowners who have been hit hard during the crisis and, as this Regional Spotlight shows, our efforts have helped more than 147,000 Miami households to avoid foreclosure. A modest local economic recovery is underway, but we have much more to do to reach the many households who still face trouble and to help the Miami market recover."

The bi-monthly Housing Scorecard Regional Spotlight features data on the health of the Miami housing market and impact of efforts to help homeowners at the local level including:

- **Economic conditions in Miami are improving, but the local housing market remains fragile – with high concentrations of distressed mortgages, large numbers of vacancies, and 45 percent of home mortgages underwater.** Miami currently ranks first in the nation for mortgages 90 or more days delinquent or in the foreclosure process. In addition, the state has the third longest foreclosure processing time, as lender processing delays and a backlog in the courts extend the average stay in the foreclosure pipeline. However, a modest recovery is underway as unemployment rates have fallen from a high of 11.4 in September 2010 to 8.6 percent in May 2012, and home prices have been rising since early 2011.
- **More than 147,500 Miami households have received mortgage modifications, many directly through Administration programs.** Since April 1, 2009 more than 147,500 mortgage assistance interventions have

been offered to homeowners in the Miami metropolitan area. Nearly 66,900 interventions were offered through HAMP and the FHA loss mitigation and early delinquency intervention programs. An estimated additional 80,600 proprietary modifications have been offered through HOPE Now Alliance servicers. While some homeowners may have received help from more than one program, the number of times assistance has been offered in the Miami MSA is nearly 50 percent higher than the number of foreclosures completed during this period (100,000).

- **In addition, more than 287,000 Miami homeowners stand to benefit from the \$8.5 billion in relief provided to the state under the landmark Mortgage Servicing Settlement announced in February 2012.**

Nationwide, the settlement will provide more than \$37.8 billion in benefits that include payments to the participating states, payments to borrowers, refinance funding, fee reductions and homeowner benefits. Nearly 1.7 million Americans will benefit from the mortgage settlement.

- **The Administration's Hardest Hit Fund and Neighborhood Stabilization Programs have fueled local foreclosure prevention efforts and market stability.** At approximately \$1.06 billion, Florida has received substantial support through the Hardest Hit Fund to implement local solutions to mitigate borrower mortgage defaults, particularly for homeowners struggling with unemployment. Moreover, approximately \$427 million has been awarded to 26 jurisdictions through the Neighborhood Stabilization Program to help purchase or redevelop residential properties and address the effects of abandoned and foreclosed housing. Both programs have helped provide increased stability to the Miami housing market.

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