



**UNITED STATES BANKRUPTCY COURT**  
*District of Rhode Island*

**REPORT ON LOSS MITIGATION STATISTICS**

**THE THIRD YEAR – (Updated through February 28, 2015)**

**NOVEMBER 1, 2011 – OCTOBER 31, 2012**

**From November 1, 2011 through October 31, 2012 there were 4115 bankruptcy cases filed and a total of 359 requests for loss mitigation filed. This represents approximately 8.8% of the filing caseload.**

**1. Statistics related to Loss Mitigation Requests (November 1, 2011 – October 31, 2012)**

<b>LM Requests</b>	<b>Completed LM Process</b>	<b>% of Total</b>	<b>LM Still Pending</b>	<b>% of Total</b>
<b>359</b>	<b>359</b>	<b>100%</b>	<b>0</b>	<b>0</b>

**2. Statistics related to Granting, Denial, Withdrawal, Termination or Successful Loan Modification (November 1, 2011 – October 31, 2012) – see attached Charts**

<b>LM Requests</b>	<b>Granted (342)</b>	<b>Denied (3)</b>	<b>LM Withdrawn (86)</b>	<b>Order Terminating or Vacating (129)</b>	<b>Case Dismissed or LM Stricken (12)</b>	<b>Successful Loan Modification (129)</b>
<b>359</b>	<b>95.3%</b>	<b>.9%</b>	<b>24%</b>	<b>35.9%</b>	<b>3.3%</b>	<b>36%</b>

Based on the above statistics, of the 359 LM requests that have completed the loss mitigation mediation process, **230 requests were denied, withdrawn, terminated, vacated or dismissed (64%), compared with 129 requests (approximately 36%) resulting in a successful loan modification.** Together, these 359 cases represent 100% of the total loss mitigation requests filed during the third year of the program.

<b>Completed (or failed to complete) LM Program</b>	<b>LM Denied (3)</b>	<b>LM Withdrawn (86)</b>	<b>LM Terminated or Vacated (129)</b>	<b>Cases Dismissed<sup>1</sup> (12)</b>	<b>Combined Cases: Denied, Withdrawn, Terminated, Vacated or Dismissed (230)</b>	<b>Successful Loan Modifications (129)</b>
<b>359</b>	<b>.1%</b>	<b>24%</b>	<b>36%</b>	<b>3%</b>	<b>64%</b>	<b>36%</b>

<sup>1</sup> It is not known whether these dismissals were related to the loss mitigation program.

**3. Statistics related to Loan Modification Agreements (November 1, 2011 – October 31, 2012) – see attached Charts.**

Of the 342 requests where participation in Loss Mitigation Program was granted, to date, 129 requests resulted in a successful loan modification agreement, or 38%. The majority of the agreements resulted in an interest rate reduction and depending on the amount of the arrearage the debtor adds to the existing principal, it may or may not result in a payment reduction, although 79.1% have.

Of the 129 loan modifications filed to date, 7 agreements show reductions of principal in excess of \$50,000, with the highest reduction being approximately \$185,000.00. This represents 5% of the total loan modification agreements filed during the third year of the loss mitigation program.

<b>Successful Loan Modification Agreements (129)</b>	<b>Reduction in Monthly Payments (102)</b>	<b>Increase in Payment (arrearage added to principal) (7)</b>	<b>Not enough information (20)</b>
<b>129</b>	<b>79.1%</b>	<b>5.4%</b>	<b>15.5%</b>

<b>Successful Loan Modification Agreements (129)</b>	<b>Reduction in Interest Rate (86)</b>	<b>No Change in Interest Rate (14)</b>	<b>Increase in Interest Rate (8)</b>	<b>Not enough information (21)</b>
<b>129</b>	<b>66.7%</b>	<b>10.9%</b>	<b>6.2%</b>	<b>16.3%</b>

<b>Successful Loan Modification Agreements (129)</b>	<b>Maturity Date is the Same (44)</b>	<b>Maturity Date Extended (62)</b>	<b>Maturity Date Shortened (1)</b>	<b>Not enough information (22)</b>
<b>129</b>	<b>34.1%</b>	<b>48.1%</b>	<b>.8%</b>	<b>17.1%</b>

**4. Statistics related to the Length of the Loss Mitigation Process (November 1, 2011 – October 31, 2012) – see attached Chart.**

During the third year of the Loss Mitigation Program, the average time frame from filing a loss mitigation request to the completion of a successful loan modification is approximately one year. The shortest time frame has been 1.5 months, and the longest thus far has been approximately 2.8 years. See figures below and attached charts.

**5. Statistics related to Trial Loan Modifications (November 1, 2011 – October 31, 2012) – see attached Chart.**

In August 2013, the court began tracking data on Trial Loan Modifications. The data captured in this report represents trial modifications that began in May 2013 or later. There have been 20 trial modification agreements entered into since May, 2013. Out of the 21 trial modifications, 19 entered into a permanent loan modification, one was withdrawn by the debtor and one was vacated

or terminated.

**6. Reasons for Termination of Loss Mitigation Requests (November 1, 2011 - October 31, 2012).**

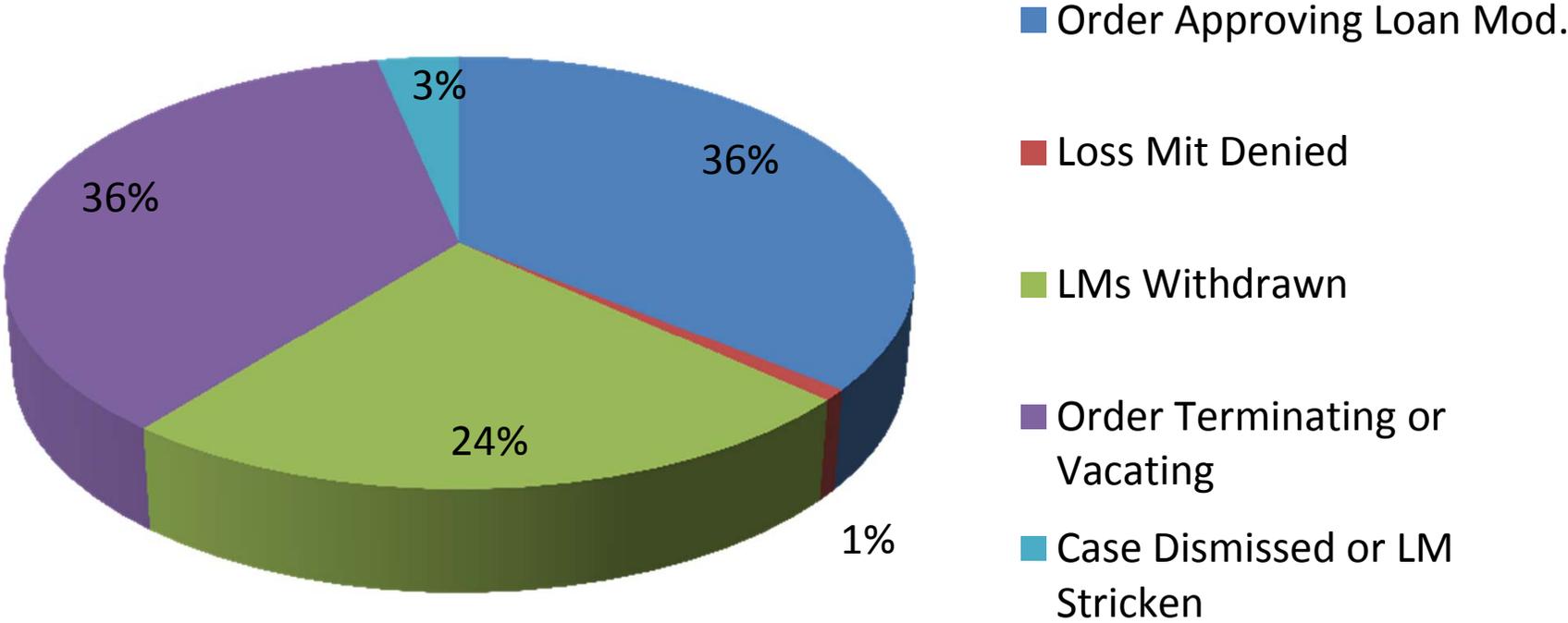
Of the 359 Loss Mitigation requests filed during the third year of the program, 129 requests were vacated or terminated thus far. The majority of these requests were vacated because the debtor(s) failed to comply with program requirements (54 cases) or the debtor was ineligible for a loan modification per creditor (44 cases).

**7. Loss Mitigation Requests vs. Loan Modification Agreements Filed per Month (November 1, 2011 – October 31, 2012).**

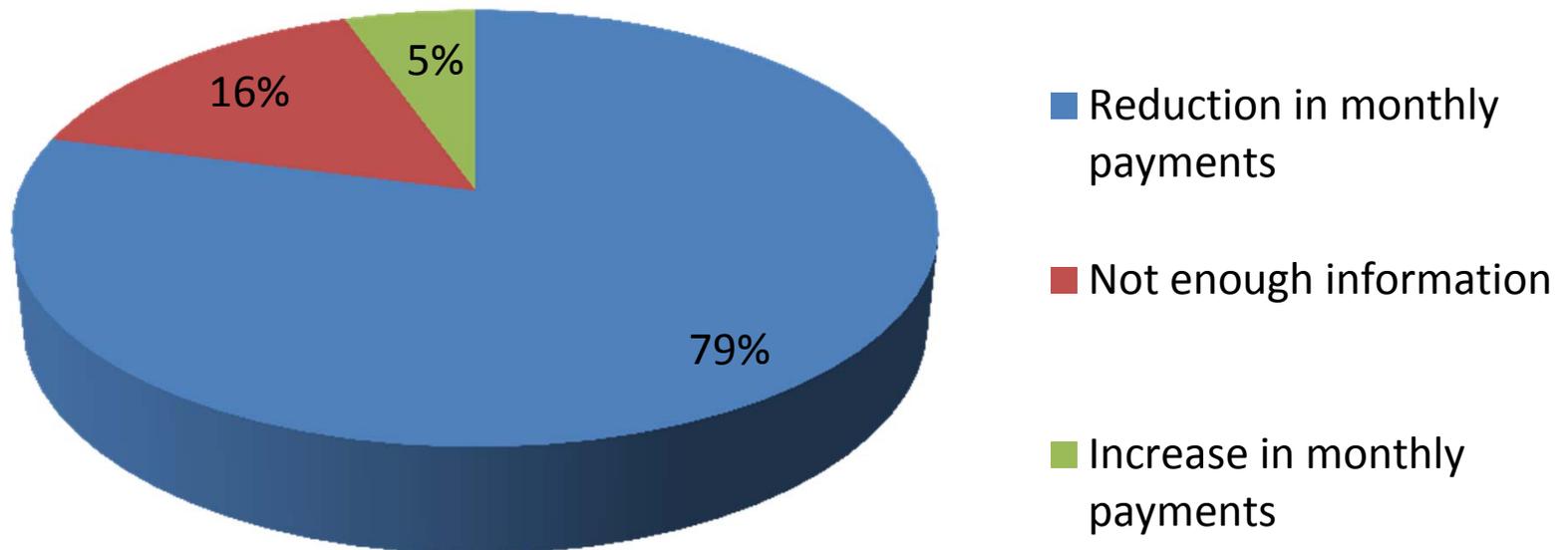
An average of 29.9 loss mitigation requests were filed per month during the third year of the loss mitigation program, and an average of 12.8 loan modification agreements were filed on average per month. Please see attached chart showing a breakdown of requests and agreements filed per month.

Dated: February 18, 2015

# 359 Finalized Loss Mitigation Cases\*



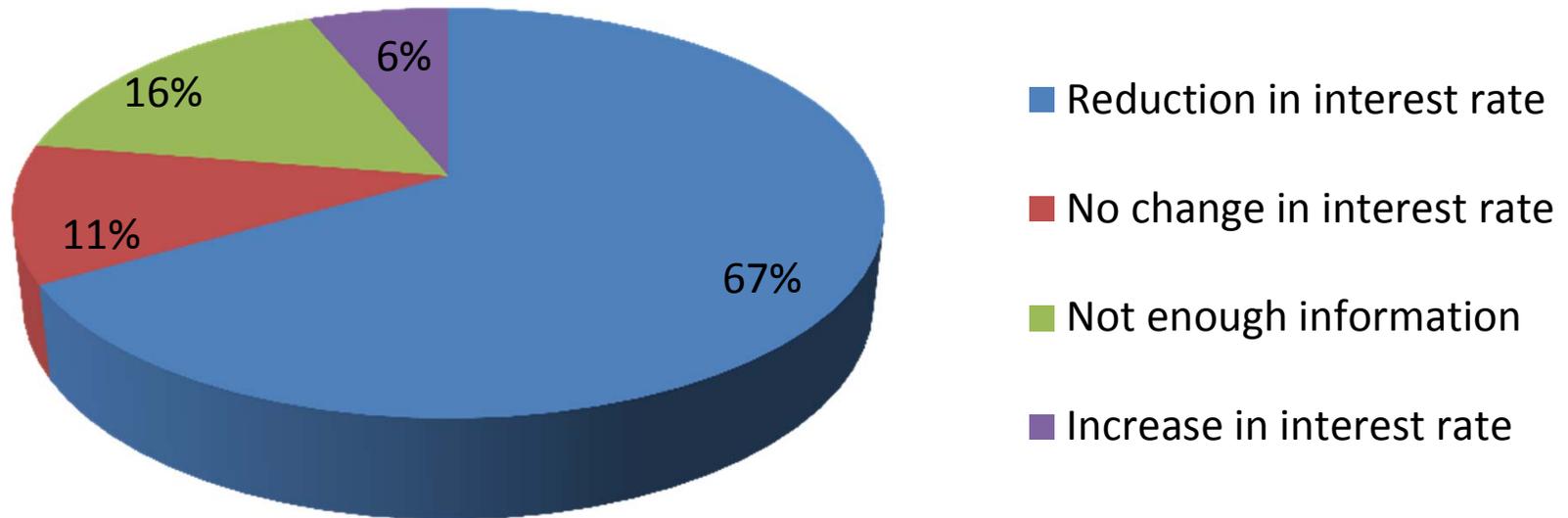
## Loan Modification (Monthly Payments)



Data based on 129 court approved loan modification agreements.

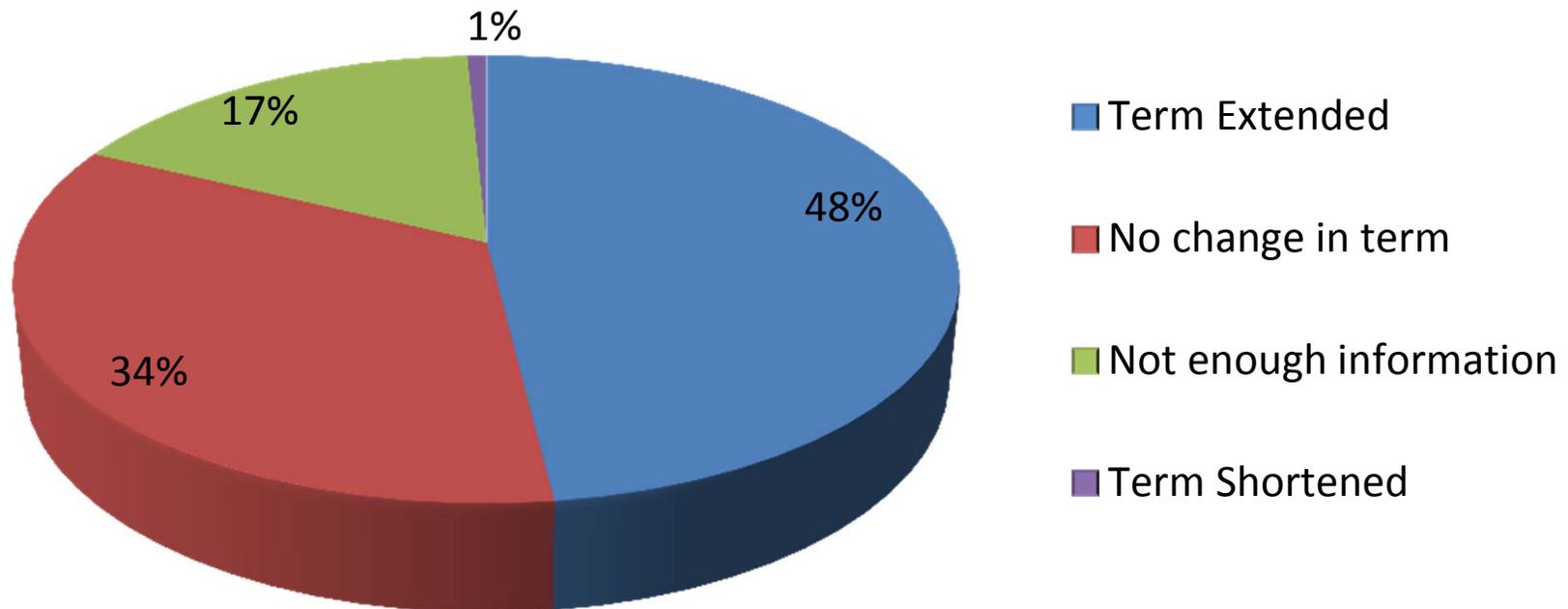
Data Period: 11/1/11 - 10/31/12

## Loan Modifications (Interest Rate)



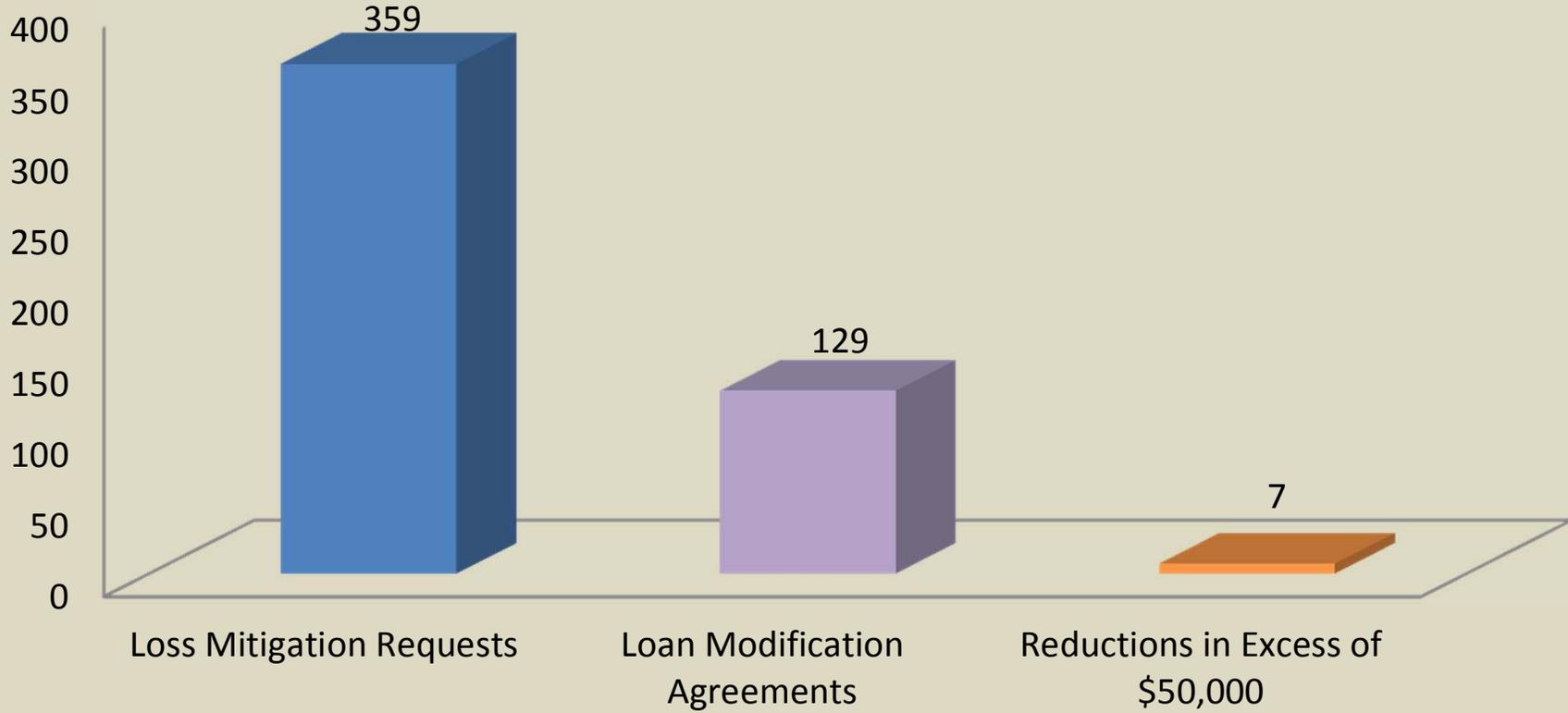
Data based on 129 court approved loan modification agreements.  
Loss Mit Request Filing Period: 11/1/11 - 10/31/12.

## Loan Modifications (Term Changes)

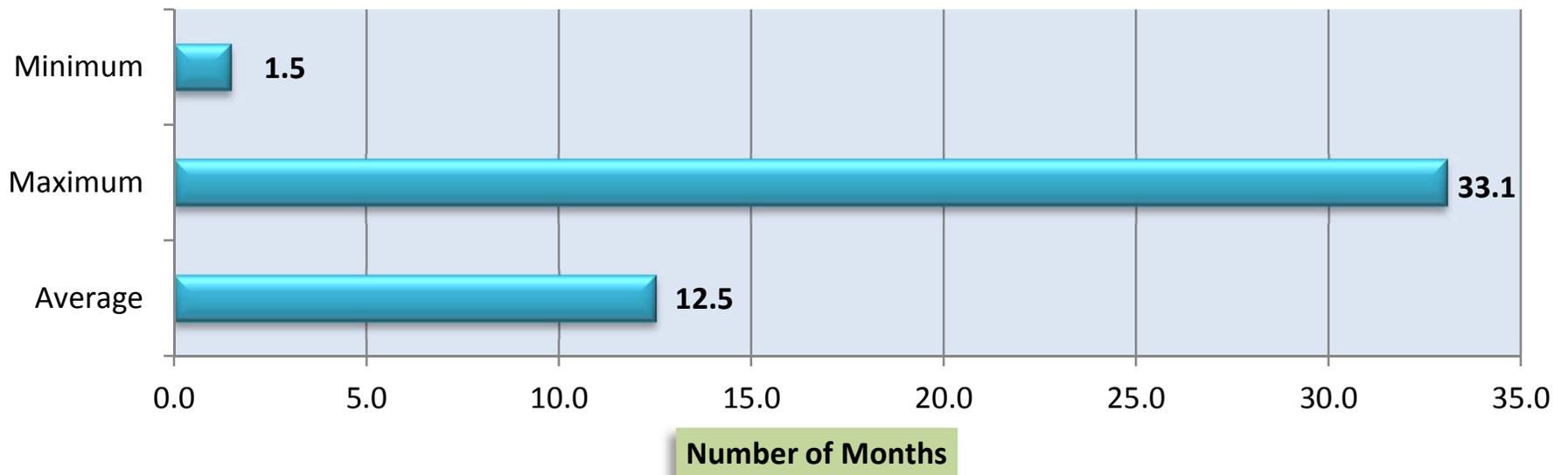


Data based on 129 court approved loan modification agreements.  
Loss Mit Request Filing Period: 11/1/11 - 10/31/12.

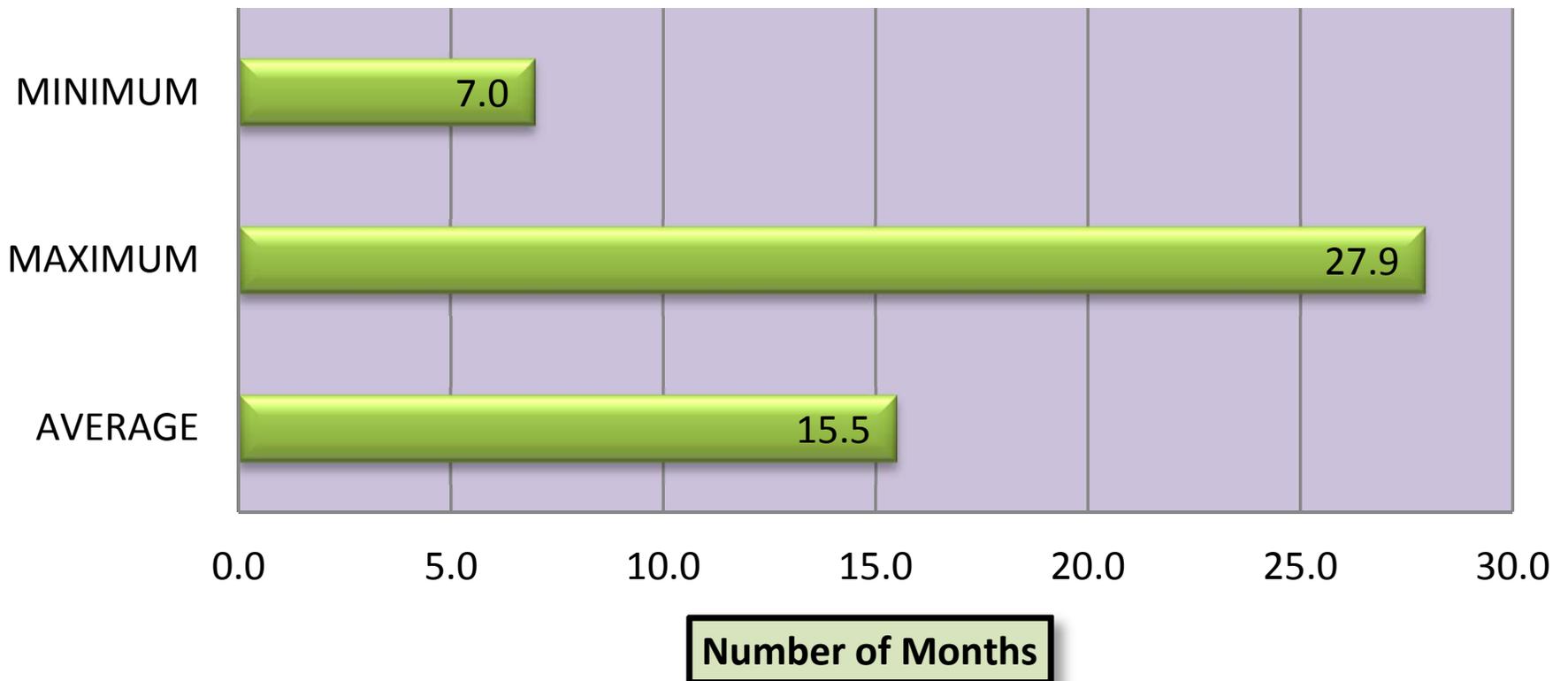
# Loan Modification Agreements with Significant Principal Reductions



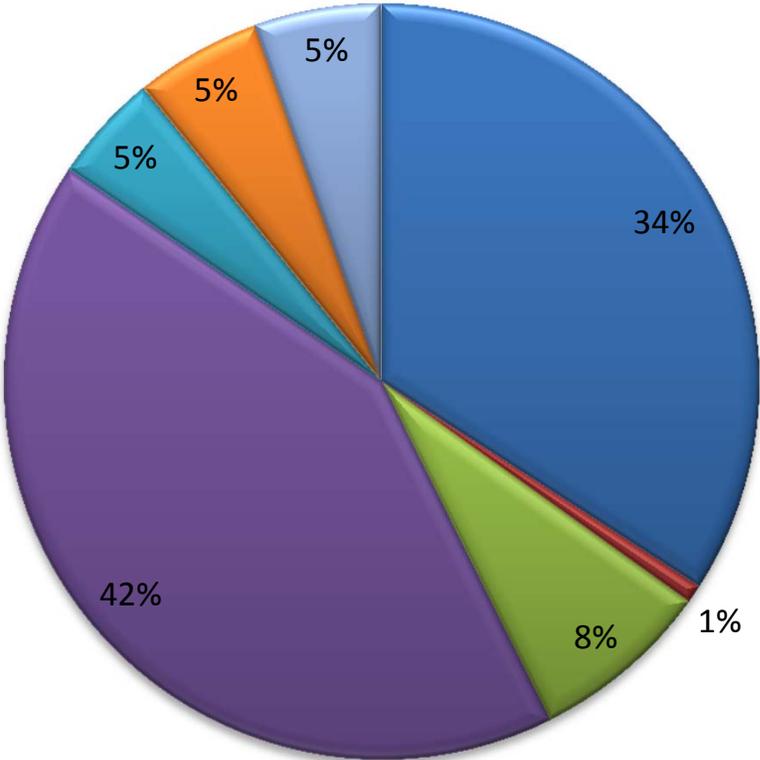
## APPROXIMATE LENGTH OF PROCESS (from filing Loss Mitigation Request to Successful Loan Modification)



# APPROXIMATE LENGTH OF PROCESS (from filing Loss Mitigation Request to Trial Loan Modification)



# Reasons for Terminating or Vacating LM Request



- Debtor is Ineligible for Loan Modification per Creditor
- Forbearance or Loan Mod Agreement Outside of Court Program
- Reason Unknown
- Debtor's Failure to Comply with Program Requirements
- Debtor no longer wishes to participate in Loss Mit
- Debtor Declined the Loan Mod Offered by Bank
- Debtor Did Not Pass the Trial Period of the Loan Mod

# Filings per Month

