UNITED STATES BANKRUPTCY COURT
District of Rhode Island

REPORT ON LOSS MITIGATION STATISTICS

THE SECOND YEAR – (Updated through October 31, 2013)

NOVEMBER 1, 2010 – OCTOBER 31, 2011

From November 1, 2010 through October 31, 2011 there were 5019 bankruptcy cases filed and a total of 679 requests for loss mitigation filed. **This represents approximately 13.5% of the filing caseload**.

1. **Statistics related to Loss Mitigation Requests (November 1, 2010 – October 31, 2011)**

LM Requests	Completed LM Process	% of Total	LM Still Pending	% of Total
679	**665**	**98%**	**14** (4 of the 14 are currently in a trial modification period)	**2.1%**

2. Statistics related to Granting, Denial, Withdrawal, Termination or Successful Loan Modification (November 1, 2010 – October 31, 2011) – see attached Charts

LM Requests	Granted (645)	Denied (4)	LM Withdrawn (124)	Order Terminating or Vacating (277)	Case Dismissed or LM Stricken (29)	Successful Loan Modification (231)
679	**95%**	**.6%**	**18.3%**	**40.8%**	**4.3%**	**34.1%**

Based on the above statistics, of the 665 LM requests that have completed the loss mitigation mediation process, **434 requests were denied, withdrawn, terminated, vacated or dismissed (65.3%), compared with 231 requests (approximately 34.8%) resulting in a successful loan modification**. Together, these 665 cases represent 98% of the total loss mitigation requests filed during the second year of the program.

Completed (or failed to complete) LM Program	LM Denied (4)	LM Withdrawn (124)	LM Terminated or Vacated (277)	Cases Dismissed[1] (29)	Combined Cases: Denied, Withdrawn, Terminated, Vacated or Dismissed (434)	Successful Loan Modifications (231)
665	**.6%**	**18.7%**	**41.7%**	**4.4%**	**65.3%**	**34.8%**

[1] It is not known whether these dismissals were related to the loss mitigation program.

3. Statistics related to Loan Modification Agreements (November 1, 2010 – October 31, 2011) – see attached Charts.

Of the 645 requests where participation in Loss Mitigation Program was granted, to date, 231 requests resulted in a successful loan modification agreement, or 35.9%. The majority of the agreements result 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 90% have.

Of the 231 loan modifications filed to date, 3 agreements show reductions of principal in excess of $50,000, with the highest reduction being approximately $262,000. This represents 1.3% of the total loan modification agreements filed during the first year of the loss mitigation program.

Approved Loan Modification Agreements (231)	Reduction in Monthly Payments (208)	Increase in Payment (arrearage added to principal) (12)	Not enough information (11)
231	**90%**	**5.2%**	**4.8%**

Approved Loan Modification Agreements (231)	Reduction in Interest Rate (194)	No Change in Interest Rate (24)	Increase in Interest Rate (4)	Not enough information (9)
231	**84%**	**10.4%**	**1.7%**	**3.9%**

Approved Loan Modification Agreements (231)	Maturity Date is the Same (92)	Maturity Date Extended (125)	Maturity Date Shortened (1)	Not enough information (13)
231	**39.8%**	**54.1%**	**.4%**	**5.6%**

4. Statistics related to the Length of the Loss Mitigation Process (November 1, 2010 – October 31, 2011) – see attached Chart.

During the second 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 11.7 months. The shortest time frame has been one month, and the longest thus far has been approximately 2.63 years. See figures below and attached charts.

5. Statistics related to Trial Loan Modifications (November 1, 2010 – October 31, 2011) – 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 April 2013 or later. There have been 6 trial modification agreements entered into since April, 2013 (2 resulted in a permanent loan modification and the other 4 are still in the trial period). Therefore, although there are 14 pending loss mitigation requests, 4 of them are currently in a trial modification period.

6. Reasons for Termination of Loss Mitigation Requests (November 1, 2010 - October 31, 2011).

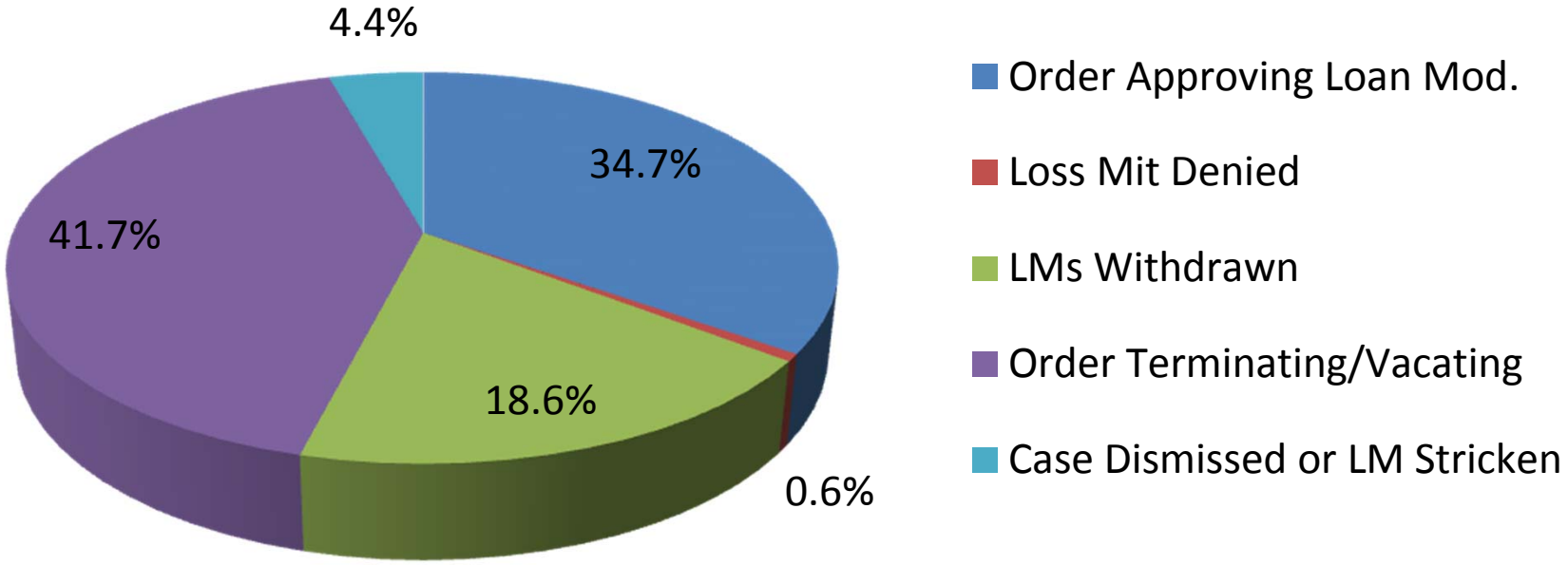
Of the 679 Loss Mitigation requests filed during the second year of the program, 277 requests were vacated or terminated thus far. The majority of these requests were vacated because the debtor(s) failed to comply with the program requirements (107 cases). However, 11 requests were vacated due to the debtor entering into a loan modification agreement outside the court's loss mitigation program. See the attached charts for further statistical information.

7. Loss Mitigation Requests vs. Loan Modification Agreements Filed per Month (November 1, 2010 – October 31, 2011).

An average of 56.6 loss mitigation requests were filed per month during the second year of the loss mitigation program, and an average of 15.1 loan modification agreements were filed on average per month. Please see attached chart showing a breakdown of requests and agreements filed per month.

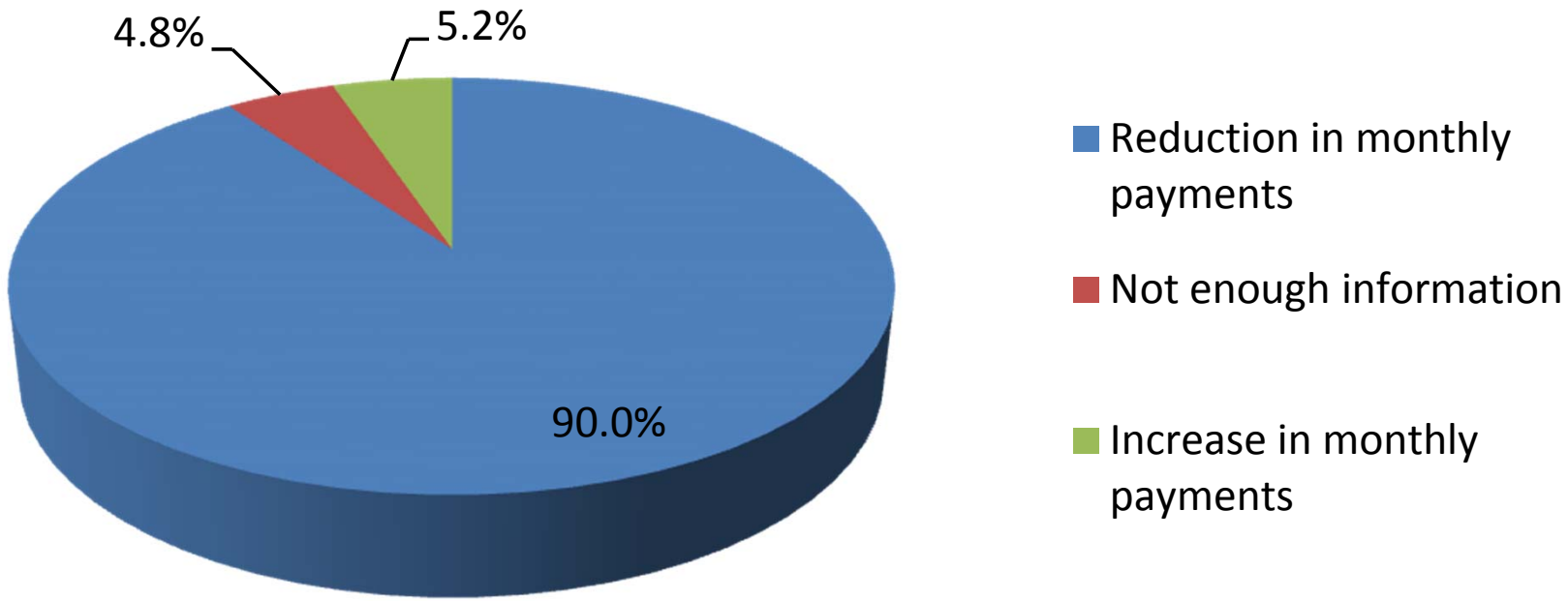
Dated: November 4, 2013

665 Finalized Loss Mitigation Cases*



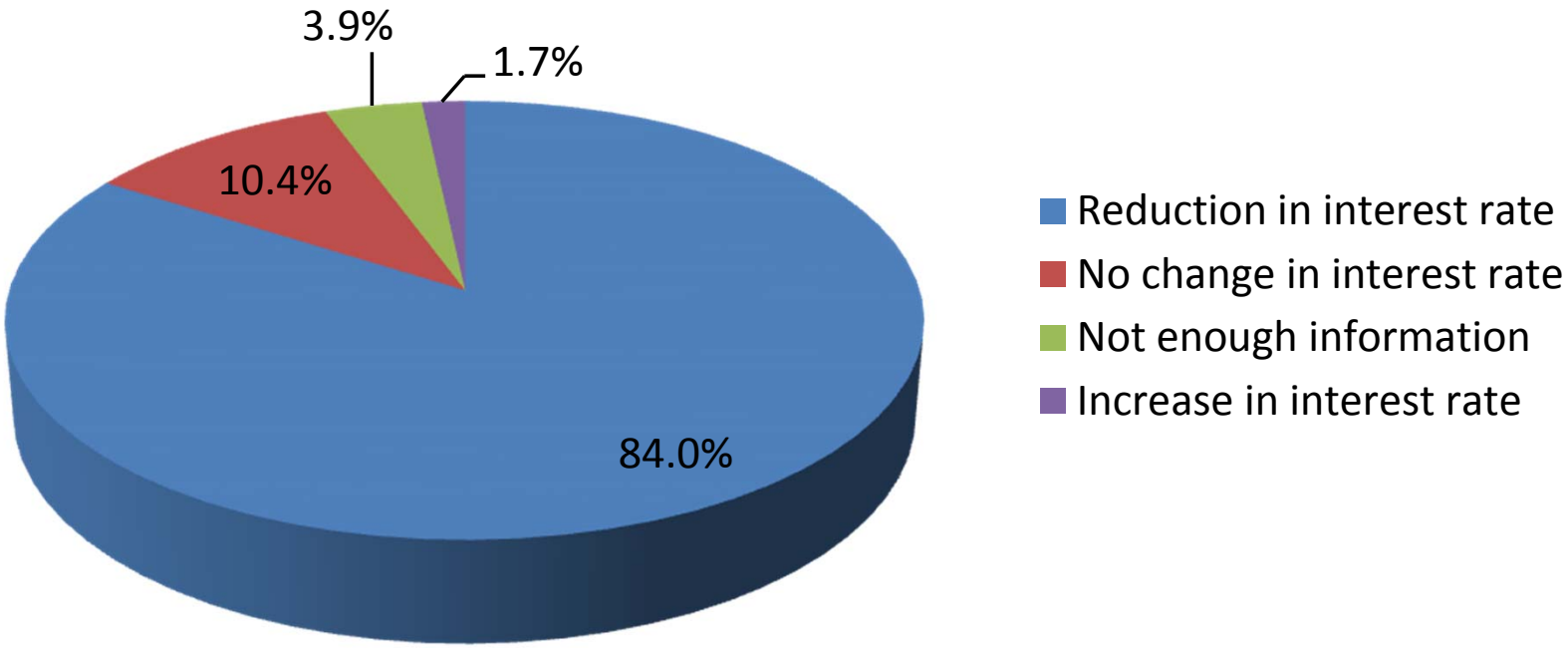
*There are 14 Loss Mitigation Requests still pending for the period of November 1, 2010 through October 31, 2011. However, 4 of the 13 pending requests are currently in a trial loan modification period.

Loan Modification (Monthly Payments)



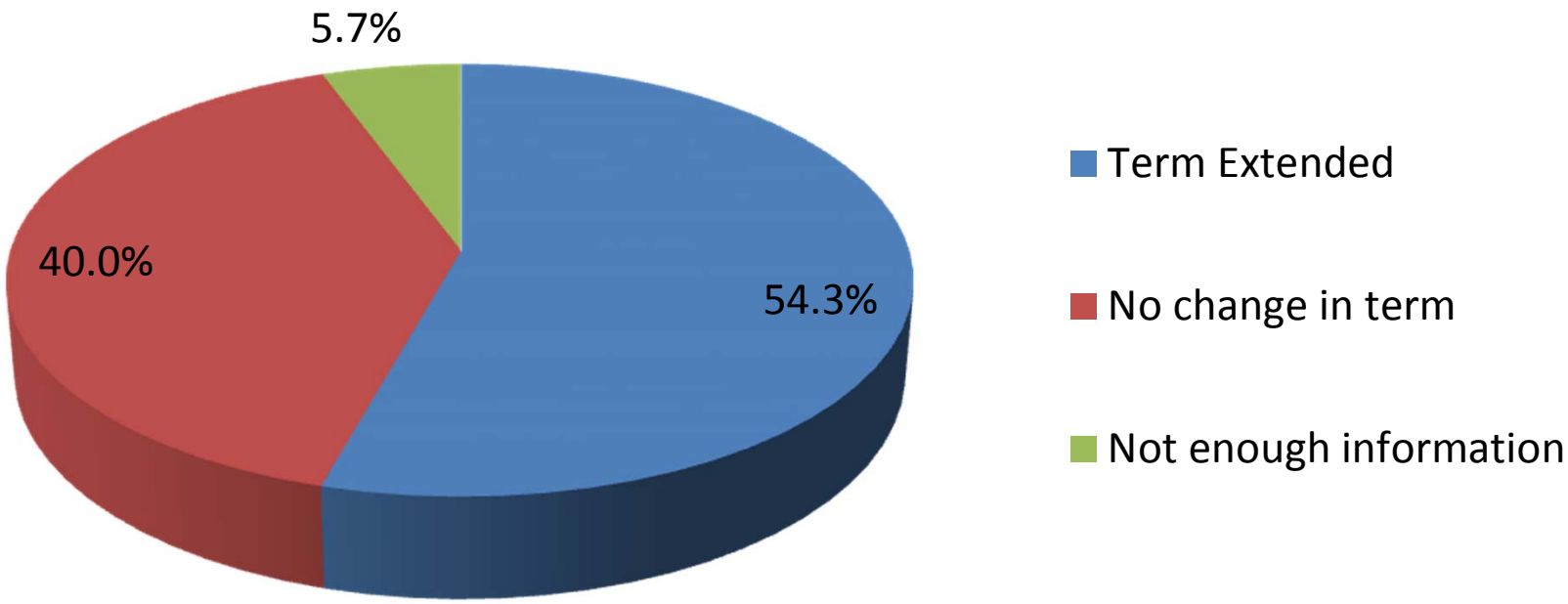
Data based on 231 court approved loan modification agreements.
Data Period: 11/1/10 - 10/31/11

Loan Modification (Interest Rate)

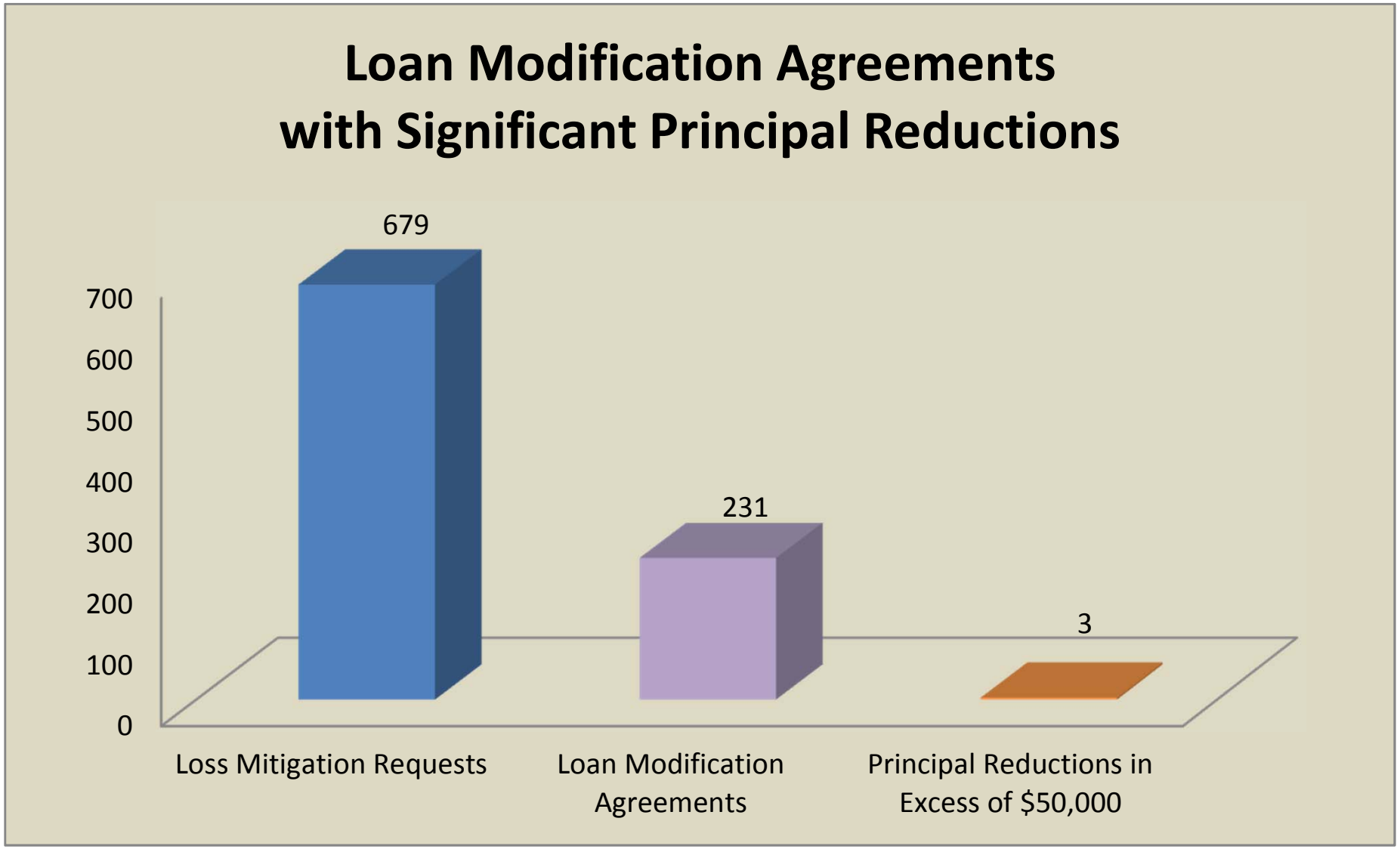


Data based on 231 court approved loan modification agreements.
Data Period: 11/1/10 - 10/31/11

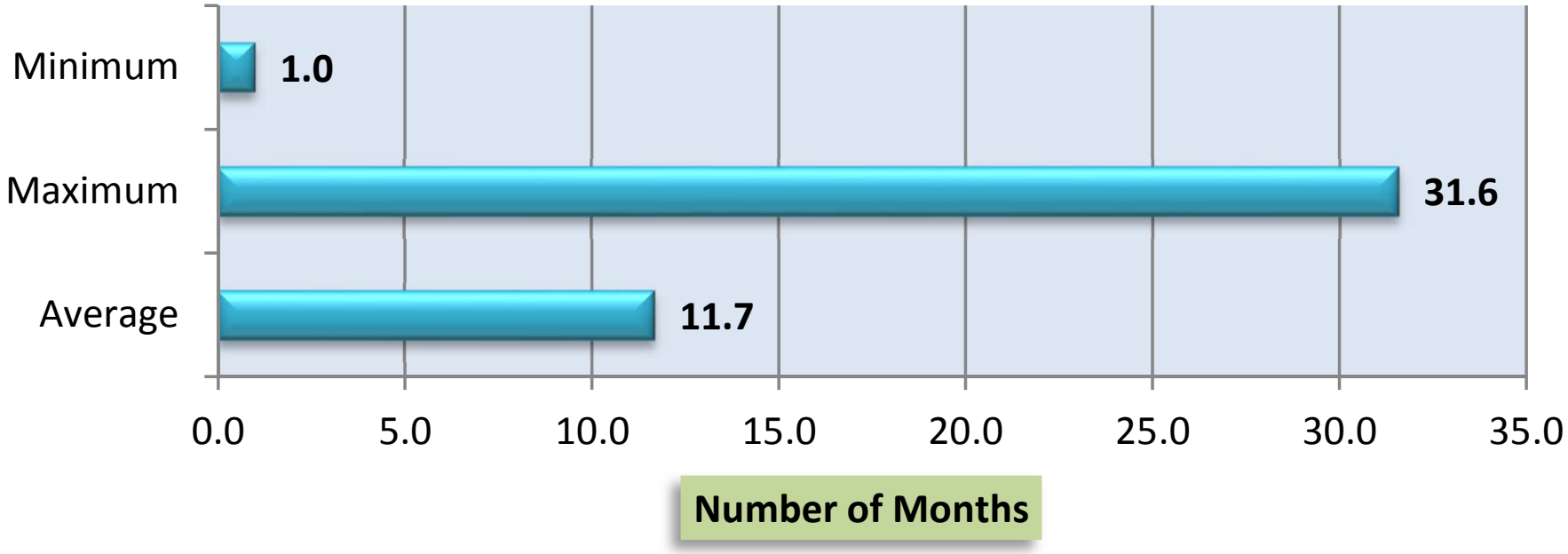
Loan Modifications (Term)

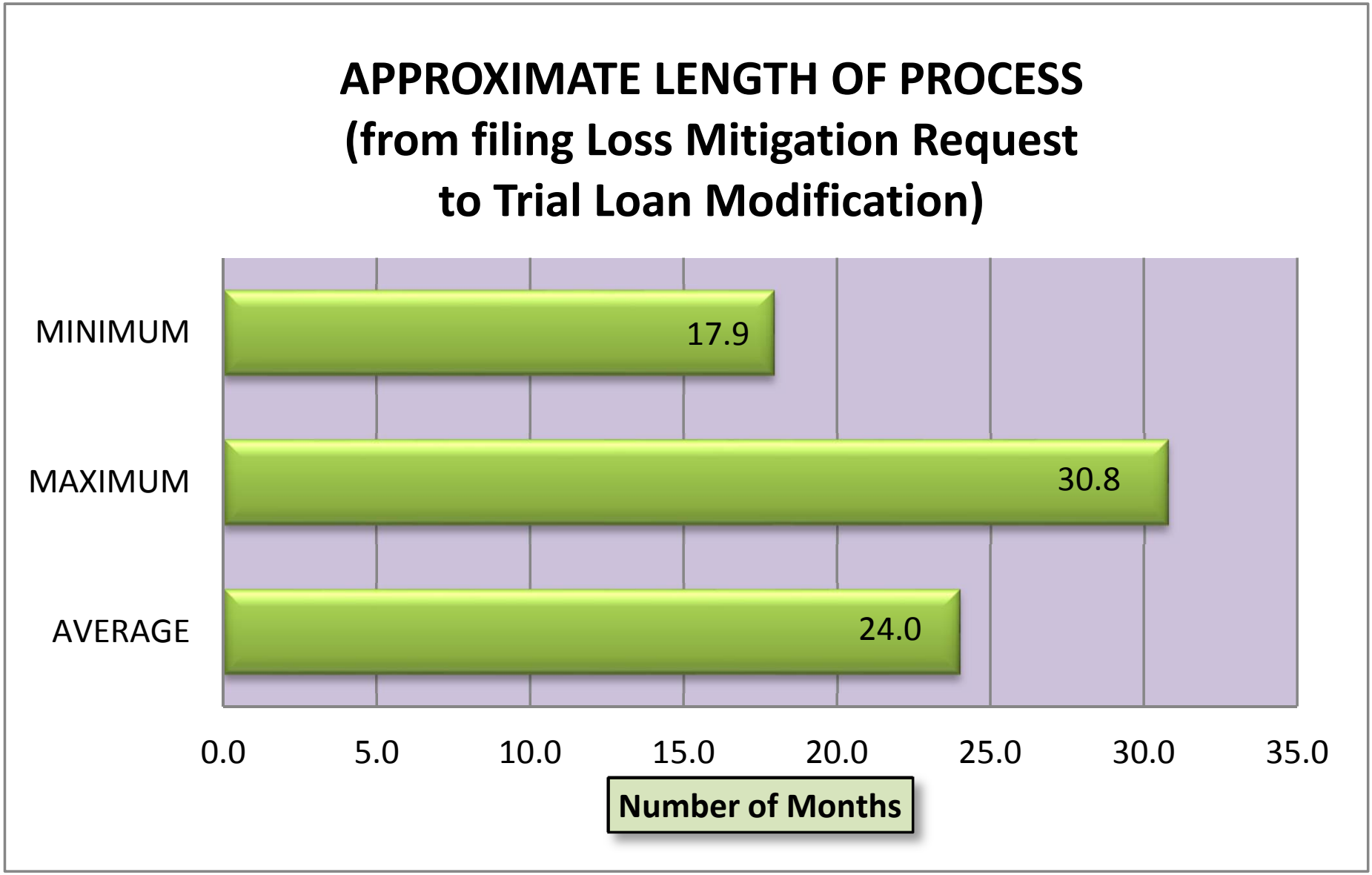


Data based on 231 court approved loan modification agreements.
Loss Mit Request Filing Period: 11/1/10 - 10/31/11

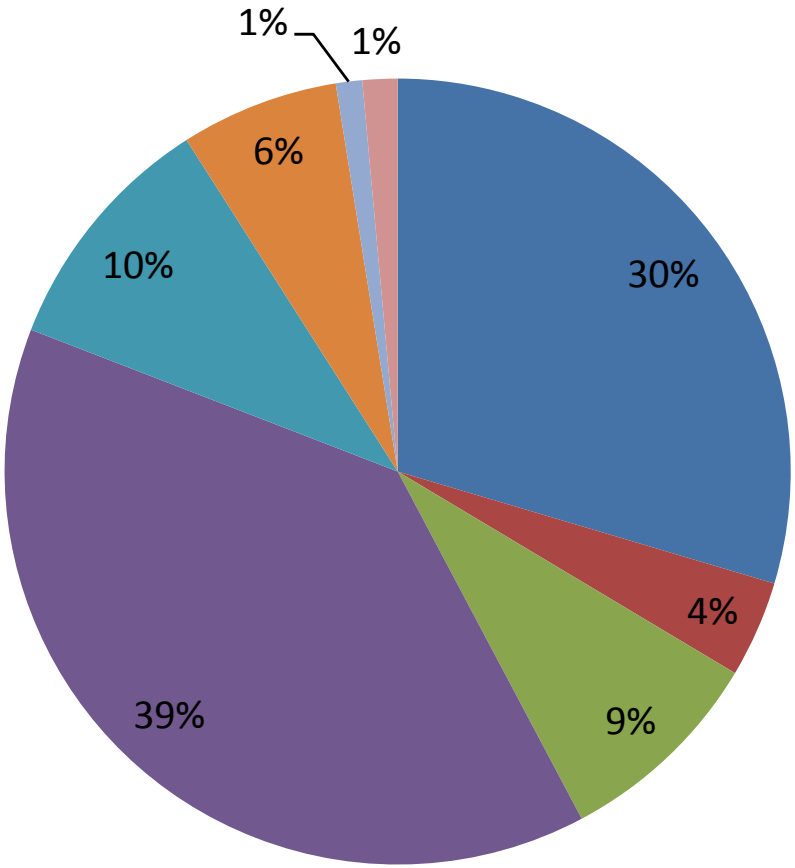

Loan Modification Agreements
with Significant Principal Reductions
679
231
3
700
600
500
400
300
200
100
0
Loss Mitigation Requests
Loan Modification Agreements
Principal Reductions in Excess of $50,000

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

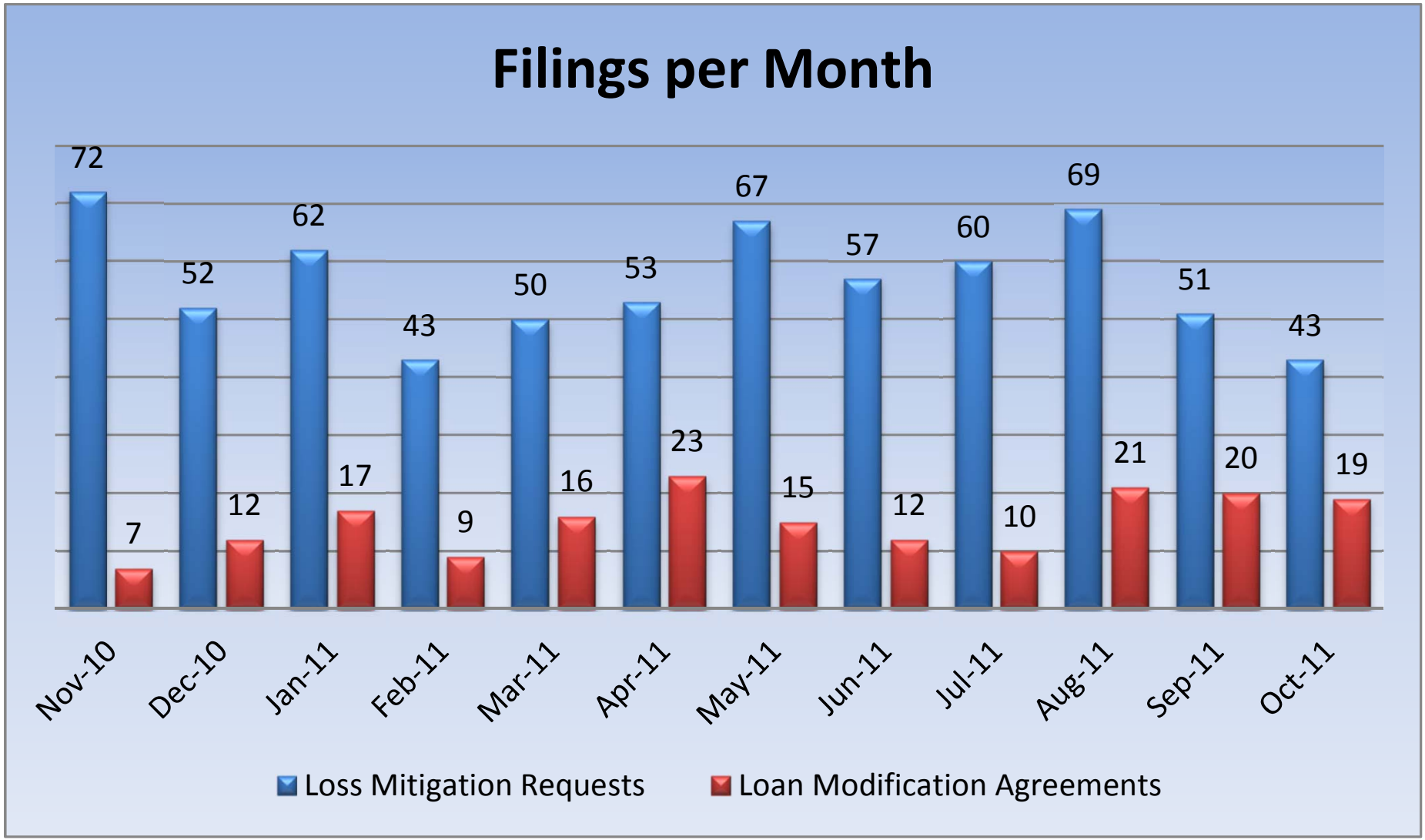



APPROXIMATE LENGTH OF PROCESS
(from filing Loss Mitigation Request
to Trial Loan Modification)
MINIMUM
17.9
MAXIMUM
30.8
AVERAGE
24.0
0.0
5.0
10.0
15.0
20.0
25.0
30.0
35.0
Number of Months

Reasons for Terminating or Vacating LM Request



- Debtor is Ineligible for Loan Modification per Creditor
- Forbearance and/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
- Mortgage was transferred to a different bank
- Debtor Did Not Pass the Trial Period of the Loan Mod


Filings per Month
72
7
52
12
62
17
43
9
50
16
53
23
67
15
57
12
60
10
69
21
51
20
43
19
Nov-10
Dec-10
Jan-11
Feb-11
Mar-11
Apr-11
May-11
Jun-11
Jul-11
Aug-11
Sep-11
Oct-11
Loss Mitigation Requests
Loan Modification Agreements