

NCST Policy Update – March 2018



Recent Accomplishments

- **Neighborhood stabilization as activity for credit in FHFA Duty to Serve (Fannie Mae includes it in first DTS plan)**
- **Better disaster mod options at FHFA, FHA**
- **“Last look” for GSE NPL auctions**
- **Fannie requires for-profit REO purchasers to obtain permission before doing lease-purchase, land contract**
- **FHFA aligns and improves GSE charge-off policies**
- **Guidelines for GSE SFR financing: affordability, landlord-tenant, etc.**
- **Ramped up presence in CDFI community focusing on capital needs of SFR acquisition/rehab**
- **Influenced Urban’s Mortgage Servicing Collaborative work, especially regarding conveyance**

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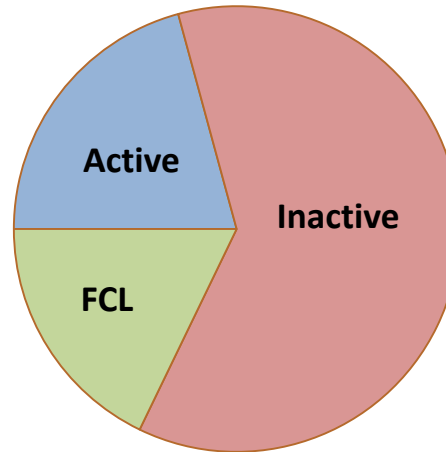
Current Priorities

- **Neighborhood Homes Investment Act**
- **Duty to Serve implementation**
- **Fast Track Foreclosure report**
- **AHP proposed rule**
- **Rehab financing**
- **Small balance loans**
- **Puerto Rico (FDIC, REO)**
- **Mortgage Servicing Collaborative**
- **Tax liens/foreclosures**

CRC Portfolio Status

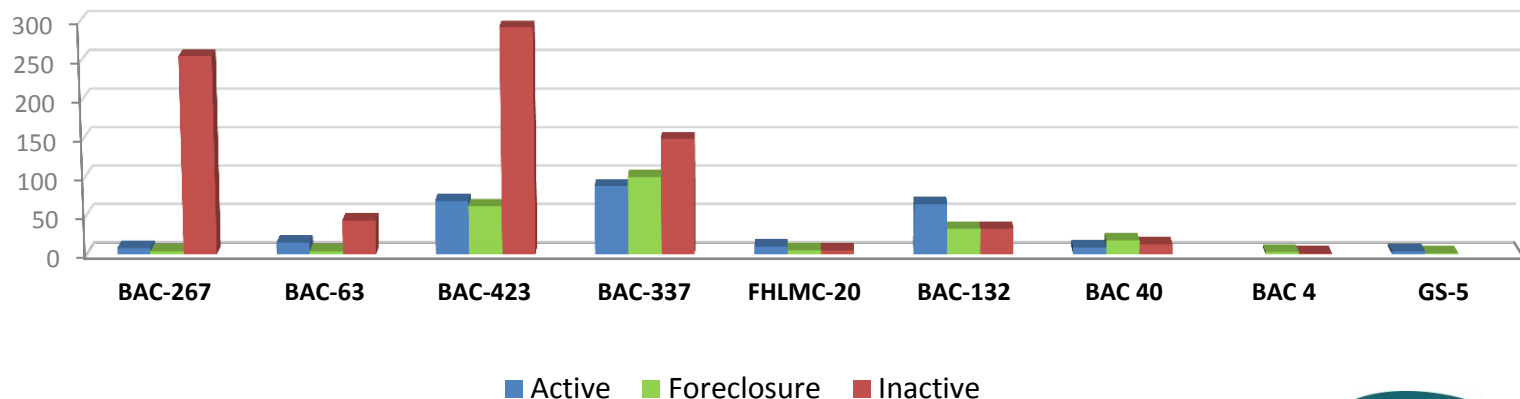
Portfolio Resolution Status

Active	498
Bankruptcy	17
Foreclosure	239
Modification	52
Other	39
Pending DIL	8
Pending ROL	3
REO - Marketing	140



Inactive	792
Municipal Tax Foreclosure	45
Note Sale	13
REO - Liquidated	206
Borrower Settlements	86
Sr. Lien Sale/ Invalid Lien	312
Other/Lien Release	130

Resolution Status by CRC Pool



CRC Portfolio Expense Summary

Category	Total Exp/ Avg Per Loan	Description
Modifications	\$970,000/\$7,028	Costs related to Loan Modifications for borrower. Includes; Lien payoffs, delinquent taxes, property preservation & clean-up
Lien Releases	\$614,000 /\$4,500	Settle outstanding liens, delinquent taxes, property clean-up prior to lien release
Foreclosures/Legal	\$2,510,000/\$7,200	Foreclosure Legal Expenses. Will vary by state foreclosure laws and local requirements
Servicing	\$1,630,000/\$2,100	Includes onboarding costs with servicer, ongoing monthly servicing and other negotiated services, success fees, and final de-boarding.
Demolitions	\$2,369,000/\$16,500	Demolition Costs/Contributions/Demo-Liens
Post-Acquisition/Holding	\$1,935,000/\$4,890	Property preservation and maintenance; utilities; outstanding code violations, eviction
Disposition/REO Pre-Marketing	\$808,000/\$3,925	All-in cost that assumes other factors including securing property, asbestos removal, monthly maintenance, etc.)
Taxes (Delinquent and Escrow)	\$7,050,000/\$8,500	Tax arrearages and encumbrances and current year assessments
Total Expenses:	\$14,800,000/\$19,800	