



**Office of Finance and Budget  
Office of Single Family Housing  
Washington, DC**

**FHA Indemnification Recovery Process**



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//SIGNED//

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SUBJECT: HUD Did Not Always Recover FHA Single-Family Indemnification Losses and  
Ensure That Indemnification Agreements Were Extended

Attached is the U.S. Department of Housing and Urban Development (HUD), Office of Inspector General's (OIG) final results of our review of HUD's indemnification recovery process for single-family loans.

HUD Handbook 2000.06, REV-4, sets specific timeframes for management decisions on recommended corrective actions. For each recommendation without a management decision, please respond and provide status reports in accordance with the HUD Handbook. Please furnish us copies of any correspondence or directives issued because of the audit.

The Inspector General Act, Title 5 United States Code, section 8M, requires that OIG post its publicly available reports on the OIG Web site. Accordingly, this report will be posted at <http://www.hudoig.gov>.

If you have any questions or comments about this report, please do not hesitate to call me at 213-894-8016.



August 8, 2014

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## HUD Did Not Always Recover FHA Single-Family Indemnification Losses and Ensure That Indemnification Agreements Were Extended

# Highlights

Audit Report 2014-LA-0005

### What We Audited and Why

We audited the U.S. Department of Housing and Urban Development's (HUD) controls over its Federal Housing Administration (FHA) loan indemnification recovery process based on the Office of Inspector General's analysis of HUD data that indicated indemnification losses were not always recovered for FHA single-family loans. Our objective was to determine whether HUD had adequate controls in place to monitor indemnification agreements and recover losses on FHA single-family loans.

### What We Recommend

We recommend that HUD's Office of Finance and Budget (1) initiate the billing process for 491 loans that had an enforceable indemnification agreement and (2) develop and implement policies and procedures to ensure that lenders are billed for loans that have enforceable indemnification agreements and loans that went into default before indemnification agreement expiration. We recommend that HUD's Office of Single Family Housing (1) extend the indemnification agreements for 21 loans that were streamline refinanced and (2) develop policies and procedures to ensure that indemnification agreements are extended to all loans that are streamline refinanced.

### What We Found

HUD did not always bill lenders for FHA single-family loans that had an indemnification agreement and a loss to HUD. Specifically, it did not bill lenders for any loans that were part of the Accelerated Claims Disposition (ACD) program or the Claims Without Conveyance of Title (CWCOT) program or loans that went into default before the indemnification agreement expired but were not in default on the expiration date. There were a total of 486 loans from January 2004 to February 2014 that had enforceable indemnification agreements and losses to HUD but were not billed. This condition occurred because HUD's Financial Operations Center was not able to determine loss amounts for loans that were part of the ACD program, was not aware of the CWCOT program, and considered the final default date for billing only. As a result, HUD did not attempt to recover a loss of \$37.1 million for 486 loans that had enforceable indemnification agreements.

In addition, HUD did not ensure that indemnification agreements were extended to 64 of 2,078 loans that were streamline refinanced. The indemnification agreement for 21 loans contained language indicating that the agreements should have extended to loans that were streamline refinanced. This condition occurred because the indemnification agreements expired before the indemnification agreement date, which happens when the expiration date is based on the loan endorsement date. As a result, HUD incurred losses of \$373,228 for 5 loans, and 16 loans had a potential loss to HUD of approximately \$1 million. The remaining 43 loans were either terminated or did not go into delinquency before the indemnification agreement expired, or the agreement did not state that it would extend to loans that were streamline refinanced.

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## BACKGROUND AND OBJECTIVE

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The Federal Housing Administration (FHA) was created by Congress in 1934 and provides mortgage insurance on loans made by FHA-approved lenders throughout the United States and its territories. Under the FHA program, lenders bear less risk because FHA will pay a claim to the lender in the event of a homeowner's default; however, loans must meet certain requirements established by FHA to qualify for insurance. Various sanctions exist that allow the U.S. Department of Housing and Urban Development (HUD) Homeownership Centers and FHA the flexibility to respond appropriately to any noncompliance action by a direct endorsement lender or other program participant. One of the sanctions that the Homeownership Centers and the Mortgagee Review Board may impose is indemnification agreements.

Under an indemnification agreement, the lender agrees to either abstain from filing an insurance claim or reimburse FHA if a later holder of the mortgage files an insurance claim and FHA suffers a financial loss disposing of the property. The term or duration of an indemnification agreement varies according to the severity of the violation. Typically, the agreement is effective for 5 years from the date of endorsement but may extend to the life of the loan. If a loan that is covered under the agreement is streamline refinanced, the agreement extends to the new mortgage. If the mortgage is sold to another lender that later files a claim for insurance benefits, the lender that signed the indemnification agreement must repay HUD the amount covered by the agreement.

Initially, HUD's Single Family Claims Branch was responsible for recovering single-family indemnification agreement debts; however, an Office of Inspector General (OIG) audit (audit report 2004-DE-0001) recommended that the process be moved to HUD's Financial Operations Center. The Center is organized under the Office of Finance and Budget. All outstanding debts and records were forwarded to the Center starting in October 2003, and as of July 1, 2004, the Center had assumed full responsibility for servicing single-family indemnification agreement debts. The Center billed lenders for 5,600 cases totaling \$327.8 million from fiscal years 2004 to 2014<sup>1</sup> and has resolved 7,036 cases totaling \$285.5 million (this amount includes cases billed by the Single Family Claims Branch).

We selected to review HUD's single-family indemnification recovery process because an examination of data in HUD's systems indicated that losses were not always recovered for single-family loans that had indemnification agreements. The audit was also part of our goal to protect the integrity of the FHA single-family insurance programs.

Our objective was to determine whether HUD had adequate controls in place to monitor indemnification agreements and recover losses on FHA single-family loans.

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<sup>1</sup> As of March 31, 2014

## RESULTS OF AUDIT

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### Finding 1: HUD Did Not Always Bill Lenders for FHA Single-Family Indemnification Losses

HUD did not always bill lenders for FHA single-family loans that had indemnification agreements and losses to HUD. Specifically, it did not bill lenders for any loans that were part of the Accelerated Claims Disposition (ACD) program or the Claims Without Conveyance of Title (CWCOT) program or loans that went into default before the indemnification agreement expired but were not in default on the expiration date. There were a total of 486 loans from January 2004 to February 2014 that had enforceable indemnification agreements and losses to HUD but were not billed. This condition occurred because HUD's Financial Operations Center was not able to determine loss amounts for loans that were part of the ACD program, was not aware of the CWCOT program, and considered the final default date for billing only. As a result, HUD did not attempt to recover a loss of \$37.1 million for 486 loans that had enforceable indemnification agreements.

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#### **HUD Did Not Bill Lenders for Enforceable Indemnification Agreements**

From fiscal years 2004 to 2014, the Center billed lenders for 5,600 loans that totaled \$327.8 million; however, it did not bill lenders for all loans that had enforceable indemnification agreements. Specifically, the Center did not bill lenders for 8 percent (486 loans) of loans that had enforceable indemnification agreements. The 486 loans consisted of 237 loans in the ACD program,<sup>2</sup> 32 loans in the CWCOT program,<sup>3</sup> and 217 loans that were in default before the indemnification agreement<sup>4</sup> expired but were not in default on the expiration date.

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<sup>2</sup> See appendix D.

<sup>3</sup> See appendix E.

<sup>4</sup> See appendix F.

Fiscal year 2004 to fiscal year 2014		
	Number of loans	Loss amount
<b>Indemnified loans billed</b>	<b>5,600</b>	<b>\$ 327,779,371</b>
<b>Indemnified loans not billed</b>		
<b>ACD program</b>	<b>237</b>	<b>22,381,768</b>
<b>CWCOT program</b>	<b>32</b>	<b>2,234,925</b>
<b>Loans that went into default</b>	<b>217</b>	<b>12,490,032</b>
<b>Total</b>	<b>486</b>	<b>\$ 37,106,725</b>
<b>Total indemnified loans billed and not billed</b>	<b>6,086</b>	<b>\$ 364,886,096</b>
<b>Percentage of loans not billed</b>	<b>8.0%</b>	<b>10.2%</b>

### HUD Did Not Bill Lenders for the Accelerated Claims Disposition Program

As part of the ACD program, HUD accelerates the claims on delinquent mortgage notes and transfers them to a public-private joint venture for disposition. HUD sells the note to a joint venture at a discounted price, and the joint venture then manages the restructuring of the notes for securitization and sale or the foreclosure and property sale of nonperforming loans.

There were 243 loans that were part of the ACD program from January 1, 2004, to February 21, 2014, that had indemnification agreements; however, HUD did not evaluate any of these loans for billing. HUD should have billed lenders for 237 of these loans because HUD had both losses and enforceable indemnification agreements (see appendixes C and D). We were not able to determine the loss amounts for three loans because there was no income and expense data in Single Family Data Warehouse for these loans.<sup>5</sup> In addition, the indemnification agreement was not enforceable for three loans.<sup>6</sup> HUD suffered a loss of \$22.4 million for the 237 loans that were not evaluated for billing. Of the 237 loans, 150 were associated with active FHA lenders,<sup>7</sup> and 87 were associated with terminated FHA lenders. Lenders that have been terminated are no longer approved to participate in FHA mortgage insurance programs; however, the lender may still be in business offering conventional mortgages.<sup>8</sup> There is no language in the indemnification agreement that releases lenders from the indemnification agreement if the lenders are terminated from the FHA program.

<sup>5</sup> Loans 412-4767940, 442-2462614, and 561-8450712

<sup>6</sup> The indemnification agreements were not enforceable for two loans because the loans did not go into default before the indemnification agreement expired. For the third loan, the indemnification agreement stated that the loan would be indemnified if there were any losses for a period of five years from the endorsement date. The loss for this loan was more than five years from the endorsement date.

<sup>7</sup> According to the Single Family Data Warehouse as of April 2, 2014

<sup>8</sup> We did not determine whether lenders were bankrupt or out of business. During the billing process, the Center will determine the operating status of lenders. The Center does not send demand letters to bankrupt lenders.

ACD programs not billed		
	Number of loans	Loss amount
Active FHA lenders	150	\$ 13,228,554
Terminated FHA lenders	87	9,153,214
<b>Total</b>	<b>237</b>	<b>\$ 22,381,768</b>

**The Financial Operations Center Was Not Able To Determine the Loss for ACD Loans**

The Center was aware of the ACD program and attempted to determine the loss amounts for loans in the program; however, it was not able to conclude what the loss amounts were because the loans were sold in pools, HUD retained an equity interest in the loans, and the loss may have not be known until all of the loans in the pool had been resolved. According to the Center, since it was unable to determine the loss amounts, it was agreed within HUD that loans with indemnification agreements would not be included in the ACD program. However, loans with indemnification agreements were included in the ACD program.

We were able to determine the loss amounts for loans in the ACD program with assistance from HUD’s Office of Financial Services and Office of Asset Sales. According to the Office of Asset Sales, HUD received two payments from the joint ventures from 2002 to 2006: an upfront payment at the time of loan settlement and a final disposition payment once the loan was resolved by the joint venture. However, after 2006, HUD did not sell loans again until 2010 and started collecting all proceeds in one lump sum at the time of loan sale settlement. Therefore, since all of the older loans from 2002 to 2006 had been resolved and HUD received one payment upfront, we were able to determine the loss amount for loans in the ACD program using data obtained from the Single Family Data Warehouse and a loss template provided by the Office of Financial Services.

**HUD Did Not Bill Lenders for the Claims Without Conveyance of Title Program**

As part of the CWCOT program, lenders sell the properties that are secured by FHA mortgage insurance in a foreclosure sale instead of conveying the property to HUD. HUD then pays insurance benefits to the lenders if the sales price and other allowable costs are less than the unpaid principal balance.

There were 35 loans that were part of the CWCOT program from January 1, 2004, to February 20, 2014, that had indemnification agreements; however, the Center did not evaluate any of these loans for billing. The Center should have billed lenders for 32 of these loans because HUD had losses and had enforceable indemnification agreements because the loans went into default before the



indemnification agreements expired (see appendixes C and E). HUD had losses of \$2.2 million for the 32 loans that were not evaluated for billing<sup>9</sup>. Of the 32 loans, 25 had lenders that were active FHA lenders.<sup>10</sup>

<b>CWCOT programs not billed</b>		
	<b>Number of loans</b>	<b>Loss amount</b>
<b>Active FHA lenders</b>	<b>25</b>	<b>\$ 1,798,390</b>
<b>Terminated FHA lenders</b>	<b>7</b>	<b>436,535</b>
<b>Total</b>	<b>32</b>	<b>\$ 2,234,925</b>

### **The Financial Operations Center Was Not Aware of the CWCOT Program**

The Center stated that it was not aware of the CWCOT program because HUD initiated a pilot of the program in March 2013; however, there was no official announcement of the program and the Center was not notified. It should have been the responsibility of the Office of Single Family Housing to notify the Center of the pilot program so that the Center could establish billing procedures for loans that were part of the CWCOT program.

During the audit, the Center agreed that loans that were part of the CWCOT program were billable loans and, as a result of the audit, agreed to evaluate these claim types for billing and monitor future loans for billing. As of April 8, 2014, the Center had billed lenders for 21 of the 32 loans identified and had recovered \$1.1 million for 15 loans.

### **HUD Did Not Bill Lenders for Loans That Went Into Default During an Enforceable Indemnification Agreement**

From the time the Center took over responsibility for FHA single-family indemnifications to November 2013, there were 274 loans for which the Center did not bill the lenders because it determined that the indemnification agreements had expired. However, HUD should have billed the lenders for 217 of these loans because the loans were either in default or went into default during the indemnification agreement period (see appendixes C and F). There were 2 loans that were in default when the indemnification agreement expired, and 215 loans went into default before the indemnification agreement expired but were not in default on the expiration date. Of the 217 loans, 98 loans were with FHA lenders that were still active.<sup>11</sup>

<sup>9</sup> The loss amounts were obtained from Single Family Data Warehouse as of February 20, 2014.

<sup>10</sup> According to the Single Family Data Warehouse as of April 2, 2014

<sup>11</sup> According to the Single Family Data Warehouse as of April 2, 2014

Loans not billed		
	Number of loans	Loss amount
Active FHA lenders	98	\$ 4,813,020
Terminated FHA lenders	119	7,677,012
<b>Total</b>	<b>217</b>	<b>\$ 12,490,032</b>

**HUD Did Not Consider All Default Situations When Billing Lenders**

HUD did not bill lenders for loans that went into default before the indemnification agreements expired but were not in default on the expiration date because HUD considered only loans that were in default before the indemnification agreement expired. According to the Center, this practice was consistent with HUD’s practice before it transferred responsibility for collecting FHA single-family indemnification debts to the Center.

**Indemnification Agreement Language Reinforced Billing for Defaulted Loans**

For the loans reviewed, HUD used three different versions of the indemnification agreement.

Period used	Number of loans
1989 - 2005	The indemnification agreement stated the lender agreed to indemnify HUD for losses which had been or may be incurred “where the loan goes into default within” the indemnification agreement period.
1997 - 2000	The indemnification agreement stated, “...if the loan defaults within” the indemnification agreement period.
1996 - 2011	The indemnification agreement stated that lenders agreed to indemnify HUD for losses for loans, “which are in default, or go into default” during the indemnification agreement period.

Based on the language in each agreement, HUD should not only be billing lenders for loans that were in default when the agreement expired, but also for loans that entered into a default status at any time before the agreement expired even if the loans emerged from a default status when the agreement expired.

**Conclusion**

The Center did not always bill lenders for FHA single-family loans that had both an enforceable indemnification agreement and losses to HUD. The Center did not bill lenders for 237 loans that were part of the ACD program, 32 loans that were part of the CWCOT program, or 217 loans that went into default before the indemnification agreement expired. HUD incurred losses of \$37.1 million for these 486 loans, which had enforceable indemnification agreements.

Loss summary		
	Number of loans	Loss amount
<b>ACD program</b>		
Active lenders	150	\$ 13,228,554
Terminated lenders	87	9,153,214
<b>Subtotal</b>	<b>237</b>	<b>\$ 22,381,768</b>
<b>CWCOT program</b>		
Active lenders	25	\$ 1,798,390
Terminated lenders	7	436,535
<b>Subtotal</b>	<b>32</b>	<b>\$ 2,234,925</b>
<b>Loans that went into default</b>		
Active lenders	98	\$ 4,813,020
Terminated lenders	119	7,677,012
<b>Subtotal</b>	<b>217</b>	<b>\$ 12,490,032</b>
<b>Total</b>	<b>486</b>	<b>\$ 37,106,725</b>

## Recommendations

We recommend that HUD's Deputy Assistant Secretary for the Office of Finance and Budget

- 1A. Initiate the billing process, including determining lender status, for the 237 loans that were part of the ACD program for which the lenders were not billed (see appendix D). HUD incurred losses of nearly \$22.4 million for these loans.
- 1B. Initiate the billing process, including determining lender status, for the 32 loans that were part of the CWCOT program for which the lenders were not billed (see appendix E). HUD incurred losses of approximately \$2.2 million for these loans.
- 1C. Initiate the billing process, including determining lender status, for the 217 loans that went into default before the indemnification agreement expired for which the lenders were not billed (see appendix F). HUD incurred losses of nearly \$12.5 million for these loans.
- 1D. Determine the loss amounts for the three loans (412-4767940, 442-2462614, and 561-8450712) that were part of the ACD program, which OIG was unable to determine the loss, to be included in recommendation 1A above.

We recommend that HUD's Deputy Assistant Secretary for the Office of Finance and Budget and Deputy Assistant Secretary for the Office of Single Family Housing

- 1E. Develop and implement postindemnification and billing policies and procedures to ensure that lenders are billed for loans that are part of the ACD and CWCOT programs.
- 1F. Develop and implement postindemnification and billing policies and procedures to ensure that lenders are billed for loans that went into default during indemnification agreement period.

We recommend that HUD's Deputy Assistant Secretary for the Office of Single Family Housing

- 1G. Develop and implement policies and procedures to ensure that it notifies the Financial Operations Center of any program changes that could impact the billing of FHA single-family lenders for losses related to enforceable indemnification agreements.

## Finding 2: HUD Did Not Always Ensure That Indemnification Agreements Were Extended to Loans That Were Streamline Refinanced

HUD did not ensure that indemnification agreements were extended to 64 of 2,078 loans that were streamline refinanced with agreement dates from January 2000 to February 2014. This condition occurred because the indemnification agreements expired before the indemnification agreement date.<sup>12</sup> As a result, HUD did not attempt to recover losses of \$373,228 for five loans and paid a claim of \$143,922 on one loan with a potential loss of \$74,839. Also, 15 loans had an unpaid balance of \$1.7 million with a potential loss to HUD of \$965,306 if the loans go into claim status. The remaining 43 loans either had been terminated or did not go into delinquency before the indemnification agreement expired.

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### Agreements Should Extend to Loans That Are Streamline Refinanced

The standard operating procedures<sup>13</sup> for the Quality Assurance Division regarding indemnifications stated that executed indemnification agreements were entered into CHUMS (Computerized Homes Underwriting Management System). HUD officials entered into CHUMS information about the indemnification agreement, such as the agreement date, the term (length of agreement), and the lender to bill. HUD officials also indicated whether the indemnification agreement was transferable to future refinances. The standard operating procedures stated that “yes” should be entered for this field and did not provide instances in which HUD officials should enter “no.”

Most of the indemnification agreements reviewed starting on January 1, 2000, stated that the agreement would extend to the new mortgage if any of the loans included in the agreement were streamline refinanced. According to HUD officials, the reason indemnification agreements should extend only to streamline refinances and not conventional refinances was that a complete underwriting review was conducted for conventional refinances so the significant issues that caused the loan to be indemnified were considered in approving the loan for a refinance.

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<sup>12</sup> These indemnification agreements could expire before the indemnification agreement date because the expiration date was sometimes based on the loan’s endorsement date. For example, loan 105-3224211 was endorsed on January 15, 2008 and has an indemnification agreement that is dated May 29, 2013. The indemnification agreement expired five years from the loans endorsement date. Therefore, the indemnification agreement expired on January 15, 2103, which is prior to the indemnification agreement date.

<sup>13</sup> The standard operating procedures was dated September 2011.

## HUD Did Not Always Extend Indemnification Agreements

There were 2,014 loans<sup>14</sup> with indemnification agreement dates from January 2000 to February 2014, for which the indemnification agreement properly extended to loans that were streamline refinanced; however, there were 64 loans with indemnification agreements that were streamline refinanced and the agreement did not extend to the new loan.

Indemnification agreement did not extend to loans that were streamline refinanced	
Agreement date	Number of loans
2000 to 2005	44
2006	9
2011	3
2013	8
<b>Totals</b>	<b>64</b>

We reviewed only 22 of the 64 loans because the remaining loans either had a loss before 2004 (when the Center took over responsibility for billing FHA single-family indemnifications), had been terminated, or had not gone into a default status before the agreement expired. The indemnification agreements for 21 of the 22 loans contained language stating that the agreements would extend to loans that were streamline refinanced. Therefore, the indemnification agreements should have extended to the new mortgages for these 21 loans that were streamline refinanced, and the lender that signed the indemnification agreement should have been responsible for following the terms of the agreement (see appendixes C and G). Of the 21 loans, 18 had lenders that were active FHA lenders.<sup>15</sup>

<sup>14</sup> This information was based on a review of the indemnification agreement information in the Single Family Data Warehouse.

<sup>15</sup> According to the Single Family Data Warehouse as of April 2, 2014

<b>Indemnification agreements not extended</b>					
	<b>Number of loans</b>	<b>Unpaid balance</b>	<b>Claim paid<sup>16</sup></b>	<b>Potential loss (52%)<sup>17</sup></b>	<b>Actual loss amount</b>
<b>Active FHA lenders</b>	<b>18</b>	<b>\$ 1,727,995</b>	<b>\$143,922</b>	<b>\$ 973,397</b>	<b>\$ 295,757</b>
<b>Terminated FHA lenders</b>	<b>3</b>	<b>128,362</b>	<b>-</b>	<b>66,748</b>	<b>77,471</b>
<b>Total</b>	<b>21</b>	<b>\$ 1,856,357</b>	<b>\$143,922</b>	<b>\$ 1,040,145</b>	<b>\$ 373,228</b>

### **Indemnification Agreements Expired Before the Agreement Date**

HUD officials stated that there was a “fix” in CHUMS in 2012, and they had also changed from CHUMS to FHA Connection for entering indemnification agreements because, according to HUD officials, there was a flaw in CHUMS in transferring the streamline refinance flag to the new loans.

For seven of the eight loans in 2013, the indemnification agreements expired before the agreement date because the expiration date was based on the loans’ endorsement date. All of the 65 loans (with agreement dates in 2013), for which the indemnification agreement properly extended to loans that were streamline refinanced, had expiration dates before the agreement date. HUD officials confirmed that FHA Connection was not programmed to look for future refinances after the indemnification agreement had expired. They also stated that the remaining indemnification agreement in 2013 did not extend to the new loan because the streamline refinance was not properly coded.

### **Conclusion**

Because the indemnification agreements expired before the agreement date, the agreements were not extended to the new mortgages for 64 loans that were streamline refinanced; however, 43 of these loans either had a loss before 2004 (when the Financial Operations Center took over responsibility for billing single-family indemnifications), had been terminated, or had not gone into a default status before the agreement expired or the agreement did not state that it would be extended. Of the remaining 21 loans, HUD had a loss for 5 loans, 15 were active loans, and HUD paid a claim on 1 loan but the loss had not been realized.<sup>18</sup> The

<sup>16</sup> For one loan for which HUD paid a claim but the loss had not been realized as of April 30, 2014, with a potential loss of \$74,839. The loss will be realized when the property that was conveyed to HUD is sold.

<sup>17</sup> The potential loss is based on FHA’s 52 percent loss severity rate multiplied by the unpaid balance for 15 loans and the claim paid for 1 loan that the loss had not been realized as of April 30, 2014. The 52 percent loss rate was the average loss on FHA-insured foreclosed-upon properties based on HUD’s Single Family Acquired Asset Management System’s “case management profit and loss by acquisition” for the first quarter of fiscal year 2014.

<sup>18</sup> As of April 30, 2014

claim had a potential loss to HUD of \$74,839. As a result, HUD incurred losses of \$373,228 for five loans and paid a claim of \$143,922 on one loan. Also, 15 loans had an unpaid balance of \$1.9 million with a potential loss to HUD of \$965,306 if the loans go into claim status.

## Recommendations

We recommend that HUD's Deputy Assistant Secretary for the Office of Single Family Housing

- 2A. Extend the indemnification agreement for the five loans (see appendix G) with a loss to HUD that were streamline refinanced.
- 2B. Extend the indemnification agreement for the 15 active loans and 1 claim loan that were streamline refinanced (see appendix G for the list of loans). The 15 active loans had an unpaid balance of nearly \$1.9 million with a potential loss to HUD of \$965,306 if the loans go into claim status<sup>19</sup>. The one claim loan had an estimated loss of \$74,839.<sup>20</sup>
- 2C. Develop and implement policies and procedures to ensure that indemnification agreements are extended to all loans that are streamline refinanced.

We recommend that HUD's Deputy Assistant Secretary for the Office of Finance and Budget

- 2D. Initiate the billing process for the five loans with losses to HUD that were streamline refinanced. HUD incurred losses of \$373,228 for these loans.

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<sup>19</sup> The unpaid balance column total in Appendix G includes the unpaid balance (\$1,856,357) for the 15 active loans and the claim amount (\$143,922) for the 1 claim loan in which the loss had not been realized (\$1,856,357 + \$143,922 = \$2,000,279)

<sup>20</sup> The estimated loss is based on FHA's 52 percent loss severity rate multiplied by claim paid.



## SCOPE AND METHODOLOGY

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We chose to review HUD's single-family indemnification recovery process because an OIG examination of data in HUD's systems indicated that losses were not always recovered for FHA single-family loans that had indemnification agreements. Our audit period covered loans with indemnification agreements that expired starting on January 1, 2000.<sup>21</sup> We performed our fieldwork from November 2013 to May 2014 at the Financial Operations Center in Albany, NY, the Office of Financial Services in Washington, DC, and the Quality Assurance Division in Washington, DC.

To accomplish our objective, we

- Reviewed applicable HUD regulations, requirements, and internal procedures;
- Interviewed appropriate management and staff at the Financial Operations Center, Office of Financial Services, and Quality Assurance Division;
- Determined loss amounts for 237 loans in the ACD program using data obtained from HUD's Single Family Data Warehouse; and
- Reviewed indemnification agreements for 507 loans (that we determined were billable).

For our review of the loans in the ACD and CWCOT programs, we used data maintained by HUD in its Single Family Data Warehouse to identify all loans that had an indemnification agreement<sup>22</sup> and claims that were part of these programs (claim types 02 and 06). There were 596 and 43 loans, respectively, with claim dates ranging from April 1985 to February 2014. We narrowed our universe by identifying all of the loans with claim dates on or after January 1, 2004 (which is the approximate date of when the Center took over responsibility for servicing single-family indemnification agreement debts). There were 243 and 35 loans, respectively, during this period.

To determine whether the indemnification agreements extended to all loans that were streamline refinanced, we used HUD's Single Family Data Warehouse<sup>23</sup> to identify all loans that had an indemnification agreement that expired starting on January 1, 2000. There were 37,153 loans during this period, and 2,601 of these loans were streamline refinanced. We narrowed our universe by identifying all of the loans with indemnification agreement dates on or after January 1, 2000, because we determined that most of the agreements after this date contained language that extended the agreement to loans that were streamline refinanced. Of the 2,601 loans that were streamline refinanced, 2,289 had agreement dates on or after January 1, 2000. According to the Single Family Data Warehouse, the indemnification agreements extended for 2,014 loans and did not extend for 64 loans.

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<sup>21</sup> As of February 14, 2014, which is the date when the data were obtained from the Single Family Data Warehouse

<sup>22</sup> As of February 21, 2014, for the ACD program and February 20, 2014, for the CWCOT program

<sup>23</sup> The Single Family Data Warehouse is a large collection of database tables organized and dedicated to support analysis, verification, and publication of FHA single-family housing data.

<b>Streamline refinance review</b>	
	<b>Loans</b>
<b>Indemnification agreement expiration dates starting on January 1, 2000:</b>	
- Not streamline refinanced	<b>34,552</b>
- Streamline refinanced	<b>2,601</b>
	<b>37,153</b>
<b>Of the 2,601 streamline refinanced loans:</b>	
- Agreement dates before January 1, 2000 (or no date)	<b>312</b>
- Agreement on or after January 1, 2000	<b>2,289</b>
	<b>2,601</b>
<b>Of the 2,289 loans with agreement dates on or after January 1, 2000:</b>	
- Indemnification agreement extended to loans that were streamline refinanced	<b>2,014</b>
- Indemnification agreement expired before the loan was refinanced	<b>177</b>
- Indemnification agreement did not extend to loans that were streamline refinanced	<b>64</b>
- Indemnification agreement of streamline refinanced loan did not match the prior loan	<b>34</b>
	<b>2,289</b>

For our review of the loans for which the Center did not bill because it determined that the indemnification agreement had expired, we identified all of the loans that were not billed because the agreements had expired on its spreadsheet that tracks all of the loans evaluated for billing. There were 274 loans that were not billed because the Center had determined that the indemnification agreements had expired.

In addition, we used the Single Family Data Warehouse to obtain the loss amounts, the unpaid mortgage balances for each of the loans (as of February 14, 2014), and the lender's FHA status. For the loans in the ACD program, the loss amounts were calculated using data from the Single Family Data Warehouse and a loss template provided by the Office of Financial Services.

To assess the reliability of data obtained from the Single Family Data Warehouse, we obtained and reviewed the hardcopy indemnification agreements from the Center and compared the agreement and expiration dates to the data obtained from the Single Family Data Warehouse. We determined that the indemnification agreement expiration dates entered into the Single Family Data Warehouse were not sufficiently reliable; therefore, we obtained the hardcopy indemnification agreements for all of the loans we reviewed to determine whether they were enforceable.

We conducted the audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective(s). We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective.

# INTERNAL CONTROLS

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Internal control is a process adopted by those charged with governance and management, designed to provide reasonable assurance about the achievement of the organization's mission, goals, and objectives with regard to

- Effectiveness and efficiency of operations,
- Reliability of financial reporting, and
- Compliance with applicable laws and regulations.

Internal controls comprise the plans, policies, methods, and procedures used to meet the organization's mission, goals, and objectives. Internal controls include the processes and procedures for planning, organizing, directing, and controlling program operations as well as the systems for measuring, reporting, and monitoring program performance.

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## Relevant Internal Controls

We determined that the following internal controls were relevant to our audit objective:

- Controls intended to ensure that lenders are billed for all loans that have single-family indemnification losses.
- Controls intended to ensure that indemnification agreements are extended to all loans that are streamline refinanced.

We assessed the relevant controls identified above.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, the reasonable opportunity to prevent, detect, or correct (1) impairments to effectiveness or efficiency of operations, (2) misstatements in financial or performance information, or (3) violations of laws and regulations on a timely basis.

## Significant Deficiencies

Based on our review, we believe that the following items are significant deficiencies:

- HUD did not have adequate controls to ensure that lenders were billed for all loans that had enforceable single-family indemnification losses (finding 1).
- HUD did not have adequate controls to ensure that indemnification agreements were extended to all loans that were streamline refinanced (finding 2).

## APPENDIXES

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### Appendix A

#### SCHEDULE OF QUESTIONED COSTS AND FUNDS TO BE PUT TO BETTER USE

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Recommendation number	Ineligible 1/	Funds to be put to better use 2/
1A	\$22,381,768	
1B	2,234,925	
1C	12,490,032	
2B		\$1,040,145
2D	373,228	
	<b>\$37,479,953</b>	<b>\$1,040,145</b>




- 1/ Ineligible costs are costs charged to a HUD-financed or HUD-insured program or activity that the auditor believes are not allowable by law; contract; or Federal, State, or local policies or regulations. In this instance, the ineligible costs are HUD’s actual losses for 491 loans that had an enforceable indemnification agreement but were not billed (see finding 1 and appendixes D through G). The losses resulted when the properties (or notes) that secured these loans were sold and the insurance claims and other expenses incurred by HUD exceeded the sales proceeds.
- 2/ Recommendations that funds be put to better use are estimates of amounts that could be used more efficiently if an OIG recommendation is implemented. These amounts include reductions in outlays, deobligation of funds, withdrawal of interest, costs not incurred by implementing recommended improvements, avoidance of unnecessary expenditures noted in preaward reviews, and any other savings that are specifically identified. In this instance, implementation of recommendation 2B to extend the indemnification agreements for the 15 active loans and 1 claim loan that had an agreement and were streamline refinanced will reduce FHA’s risk of loss to the insurance fund (\$965,306 + \$74,839 = \$1,040,145). The amount noted reflects HUD’s calculation that FHA loses an average of 52 percent of the unpaid principal balance when it sells a foreclosed-upon property (see the potential loss to HUD in appendix C). The 52 percent loss rate is based on HUD’s Single Family Acquired Asset Management System’s “case management profit and loss by acquisition” computation for the first quarter of fiscal year 2014 based on actual sales.

# Appendix B

## AUDITEE COMMENTS AND OIG'S EVALUATION

### Ref to OIG Evaluation

### Auditee Comments

 OFFICE OF HOUSING	U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT WASHINGTON, DC 20410-8000
JUL 24 2014	
MEMORANDUM FOR:	Tanya E. Schulze, Regional Inspector General for Audit, Los Angeles Region, 9DGA
FROM:	Monica A. Clarke, Acting Deputy Assistant Secretary for Finance and Budget, HW   Kathleen A. Zadareky, Deputy Assistant Secretary for Single Family Housing, HU 
SUBJECT:	Discussion Draft Report FHA Indemnification Recovery Process Audit Report Number: 2014-LA-100X
Thank you for providing the Office of Finance and Budget and the Office of Single Family Housing the opportunity to comment on the Office of Inspector General's (OIG) draft audit report entitled <i>FHA Indemnification Recovery Process</i> (2014-LA-100X). Please find our comments below:	
<b>Recommendation 1A:</b>	
<i>Initiate the billing process, including determining lender status, for the 237 loans that were part of the ACD program for which the lenders were not billed (see appendix D). HUD incurred losses of nearly \$22.4 million for these loans.</i>	
<b>Response:</b>	
<b>Comment 1</b>	The Office of Finance and Budget agrees with this recommendation and has begun the process to review the identified indemnified loans for the purpose of initiating billing, when appropriate. However, it should be noted that the possibility exists that indemnified loans identified as part of this recommendation may have been included in previous lender settlements which may preclude HUD from pursuing losses under the indemnification agreements.
<b>Comment 2</b>	
<b>Recommendation 1B:</b>	
<i>Initiate the billing process, including determining lender status, for the 32 loans that were part of the CWCOT program for which the lenders were not billed (see appendix E). HUD incurred losses of approximately \$2.2 million for these loans.</i>	
www.hud.gov      espanol.hud.gov	

**Comment 1****Response:**

The Office of Finance and Budget agrees with this recommendation and initiated billing on 21 of the 32 identified loans in February 2014. The other 11 identified loans will be further evaluated in coordination with the Office of Single Family Housing, to determine if billing for losses is the appropriate course of action.

**Recommendation 1C:**

*Initiate the billing process, including determining lender status, for the 217 loans that went into default before the indemnification agreement expired for which lenders were not billed (see appendix F). HUD incurred losses of nearly \$12.5 million for these loans.*

**Response:**

The Office of Finance and Budget's Financial Operations Center (the Center) has had the responsibility for pursuing losses associated with executed indemnification agreements since 2004. The Center has been determining the indemnification expiration date using the Date of Default (also known as the "final default" date). This has been a long-standing practice that predates the Center taking over the activity and is also well known by the lender/servicer industries. The 217 loans identified by the OIG did not meet the current criteria for billing and collections. The Office of Single Family Housing, in partnership with the Office of Finance and Budget, agree to reevaluate the indemnification expiration policy used by the Center and determine if changes are necessary. However, any changes to the billing and collections policy would likely be made on a prospective basis.

**Comment 3****Recommendation 1D:**

*Determine the loss amounts for the three loans (412-4767940, 442-2462614, and 561-8450712) that were part of the ACD program, which OIG was unable to determine the loss, to be included in recommendation 1A above.*

**Response:**

The Office of Finance and Budget agrees with this recommendation. The loss amounts have been requested from our Office of Asset Sales and it is anticipated that the Center will initiate billing for the three loans identified within the next 60 days.

**Comment 1****Recommendation 1E:**

*Develop and implement postindemnification and billing policies and procedures to ensure that lenders are billed for loans that are part of the ACD and CWCOT programs.*

**Comment 1****Response:**

The Office of Finance and Budget agrees with this recommendation. The Center has already implemented changes to its billing process to include indemnified loans that are part of the ACD and CWCOT programs.

**Recommendation 1F:**

*Develop and implement postindemnification and billing policies and procedures to ensure that lenders are billed for loans that went into default during indemnification agreement period.*

**Comment 3****Response:**

See response for Recommendation 1C.

**Recommendation 1G:**

*Develop and implement policies and procedures to ensure that it notifies the Financial Operations Center of any program changes that could impact the billing of FHA single-family lenders for losses related to enforceable indemnification agreements.*

**Comment 1****Response:**

The Office of Single Family Housing agrees with this recommendation and will generate revised Standard Operating Procedures that will include a provision for program change notification.

**Recommendation 2A:**

*Extend the indemnification agreement for five loans (see appendix G) with a loss to HUD that were streamline refinanced.*

**Comment 1****Response:**

The Office of Single Family Housing agrees with this recommendation and will extend the indemnification agreements for the five loans identified.

**Recommendation 2B:**

*Extend the indemnification agreement for the 15 active loans and 1 claim loan that were streamline refinanced (see appendix G for the list of loans). The 15 active loans had an unpaid principal balance of nearly \$1.9 million with a potential loss to HUD of \$965,306 if the loans go into claim status. The one claim loan had an estimated loss of \$74,839.*



**Comment 1**

**Response:**

The Office of Single Family Housing agrees with this recommendation and will extend the indemnification agreements for the loans identified.

**Recommendation 2C:**

*Develop and implement postindemnification and billing policies and procedures to ensure that indemnification agreements are extended to all loans that are streamline refinanced.*

**Response:**

The Office of Single Family Housing agrees with this recommendation and is pursuing system enhancements to ensure that indemnification agreements are extended to all loans that are streamline refinanced.

**Recommendation 2D:**

*Initiate the billing process for the five loans with losses to HUD that were streamline refinanced. HUD incurred losses of \$373,228 for these loans.*

**Response:**

The Office of Finance and Budget agrees with this recommendation. The Center anticipates that billing will be initiated for the five identified indemnified loans within one month.

**Comment 1**

**Comment 1**

## OIG Evaluation of Auditee Comments

- Comment 1** We acknowledge that the Office of Housing has agreed to implement recommendations 1A, 1B, 1D, 1E, 1G, 2A, 2B, 2C, and 2D and has identified actions that it plans take; however, this does not constitute final resolution of the recommendations.
- Comment 2** We agree that the indemnified loans identified as part of recommendation 1A could be impacted by previous lender settlements with HUD. Identifying any impacted loans was outside the scope of our review and HUD should do that during the audit resolution process, and initiate billing for the appropriate loans, accordingly.
- Comment 3** We acknowledge the Office of Housing's assessment that 217 loans identified under recommendation 1C did not meet the Center's current policy for billing, indicating that their policy was a long-standing practice; however, the policy is not consistent with the language of the indemnification agreements reviewed. Therefore, as concluded in the audit report, HUD should not only be billing lenders for loans that were in default when the indemnification agreement expired, but also for loans that entered into a default status at any time before the agreement expired even if the loans were current when the agreement expired. All of the loans identified under recommendation 1C had an enforceable indemnification agreement and should be billed appropriately. Of the 217 loans, 2 were in default when the agreement expired and 215 loans went into default before the agreement expired.

We agree with the Office of Housing's commitment to reevaluate their indemnification expiration policy used by the Center, ensuring a more consistent billing process.

## Appendix C

### LOSS SUMMARY FOR LOANS NOT BILLED

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Deficient area	Number of loans	Unpaid mortgage balance	Claim paid	Loss amount	Potential loss
ACD program	237	\$ -	\$ -	\$ 22,381,768	\$ -
CWCOT program	32	-	-	2,234,925	-
Loans in default not billed	217	-	-	12,490,032	-
Agreements not extended	21	1,856,357	143,922	373,228	1,040,145
<b>Totals</b>	<b>507</b>	<b>\$ 1,856,357</b>	<b>\$ 143,922</b>	<b>\$ 37,479,953</b>	<b>\$ 1,040,145</b>

## Appendix D

### ACD PROGRAM LOANS NOT BILLED

Case number	Refinanced case number	Expiration date	Default date <sup>24</sup>	Oldest unpaid installment date	Claim date	Loss amount	Lender status <sup>25</sup>
011-5695332	n/a	03/11/13	08/01/08	07/01/10	11/10/12	101,709	A
022-1759014	n/a	10/21/09	03/01/04	08/01/04	08/08/05	25,286	T
022-2215202	n/a	09/29/15	12/01/10	01/01/12	07/29/13	44,569	A
023-1721755	n/a	02/08/11	05/01/04	08/01/04	09/11/04	21,161	T
023-1738902	n/a	05/25/10	05/01/04	05/01/04	09/02/04	28,148	T
023-1915912	n/a	02/08/11	06/01/04	08/01/04	12/09/04	18,540	T
023-1962637	n/a	04/21/10	07/01/04	07/01/04	11/12/04	12,257	T
023-3543512	n/a	08/14/14	09/01/09	08/01/11	09/29/12	130,369	A
048-6345662	n/a	12/30/15	03/01/11	04/01/11	05/25/13	19,432	A
052-2253638	n/a	01/26/11	06/01/05	06/01/05	10/08/05	37,843	A
052-2872156	n/a	02/06/11	12/01/03	12/01/03	04/15/04	69,758	T
052-2939661	n/a	02/06/11	12/01/03	02/01/04	06/17/04	64,457	T
052-3257399	n/a	03/04/09	09/01/04	09/01/04	12/30/04	70,819	T
052-3497695	n/a	02/06/11	11/01/04	11/01/04	05/01/05	33,324	A
052-3549973	n/a	07/28/11	02/01/05	03/01/05	05/21/05	56,659	T
061-2742606	n/a	08/30/10	05/01/04	05/01/04	01/30/05	47,969	T
071-0968687	n/a	01/05/09	11/01/04	11/01/04	02/27/05	17,895	A
081-0741091	n/a	02/07/11	09/01/04	09/01/04	01/31/05	114,150	T
081-0766201	n/a	11/25/33	04/01/04	04/01/04	08/13/04	12,286	A
081-0841113	n/a	08/12/13	09/01/08	08/01/10	02/02/14	97,380	A
091-3624571	n/a	06/27/10	07/01/03	07/01/03	01/15/04	39,687	A
091-3651502	n/a	06/27/10	10/01/03	10/01/03	05/20/04	19,823	A
091-3693706	n/a	06/27/10	10/01/03	12/01/03	02/27/04	30,001	A
091-3711494	n/a	06/27/10	09/01/03	09/01/03	03/14/04	52,893	A
091-3900463	n/a	05/08/11	01/01/05	02/01/05	05/15/05	30,100	T
091-4388275	n/a	05/23/13	02/01/09	07/01/10	01/12/14	127,733	A
092-8612669	n/a	10/08/08	10/01/01	11/01/09	08/03/13	37,694	A
092-9308470	n/a	04/04/11	11/01/03	09/01/04	12/16/04	11,313	T
092-9458419	n/a	07/26/09	11/01/03	08/01/04	07/11/05	18,332	T
093-6246238	n/a	01/28/38	12/01/09	05/01/11	07/21/13	102,314	T
093-6609919	n/a	05/08/14	04/01/10	06/01/10	03/15/12	129,752	A
094-4821809	n/a	04/19/10	07/01/04	07/01/04	07/03/05	3,651	T
095-1394738	n/a	11/09/39	12/01/09	08/01/11	06/02/13	85,129	T
095-1739384	n/a	01/03/16	05/01/11	02/01/12	10/07/12	96,393	A
095-2017673	n/a	05/12/16	06/01/11	04/01/12	09/29/12	66,681	A
101-8337425	n/a	08/13/03	01/31/99	06/01/04	08/11/05	29,791	T

<sup>24</sup> Either the first unpaid default date (if earlier than the expiration date) or the open default status date. The open default status date is the status date that was submitted to the Single Family Default Monitoring System for the loan.

<sup>25</sup> A = active; T = terminated

Case number	Refinanced case number	Expiration date	Default date <sup>24</sup>	Oldest unpaid installment date	Claim date	Loss amount	Lender status <sup>25</sup>
101-8597863	n/a	06/08/04	03/31/00	12/01/11	12/29/13	33,143	T
101-8654297	n/a	03/17/05	09/30/00	06/01/04	07/23/05	19,888	T
105-1044523	n/a	05/25/10	09/01/03	06/01/04	09/15/05	41,038	T
105-3449057	n/a	05/01/38	11/01/08	11/01/12	09/08/13	44,889	A
121-2105509	n/a	07/22/33	10/01/03	10/01/03	12/16/04	34,200	A
121-2189465	n/a	11/18/10	12/31/04	11/01/04	06/25/05	14,227	T
132-1596311	n/a	06/27/10	09/01/03	09/01/03	02/12/04	15,330	A
132-2448600	n/a	03/22/15	06/01/10	03/01/11	08/15/13	61,323	A
137-0618201	n/a	07/14/08	02/01/02	10/01/10	09/09/13	82,038	A
137-1529239	n/a	06/27/10	10/01/03	10/01/03	03/05/04	29,565	A
137-1955494	n/a	01/21/10	05/01/03	12/01/09	07/15/13	31,826	T
137-2058418	n/a	06/27/10	08/01/03	09/01/03	12/18/04	26,452	A
137-2086510	n/a	06/27/10	09/01/03	09/01/03	12/11/04	47,516	A
137-3381608	n/a	03/07/11	10/01/08	01/01/10	09/01/13	114,284	T
137-3643257	n/a	06/15/12	09/01/08	03/01/10	12/05/13	62,531	A
137-3695799	n/a	11/12/12	02/01/08	11/01/10	09/01/13	184,822	A
137-3727045	n/a	10/01/12	12/01/07	02/01/11	05/24/13	155,223	T
137-4017603	n/a	06/18/38	08/01/08	02/01/10	10/16/11	228,883	A
137-4392297	n/a	12/11/38	10/01/09	11/01/09	05/08/11	210,901	A
137-4468349	n/a	01/14/39	01/01/10	02/01/10	08/22/11	124,480	A
137-4595306	n/a	03/20/14	10/01/09	11/01/10	12/14/12	173,233	A
137-5206014	n/a	12/22/14	02/01/10	04/01/10	11/24/13	222,207	A
137-5532653	n/a	03/17/15	07/01/10	10/01/10	12/14/12	152,908	A
137-5707411	n/a	05/13/15	07/01/10	07/01/10	01/21/13	354,121	A
137-5792688	n/a	12/16/15	05/01/11	01/01/12	07/15/13	99,962	A
137-6409728	n/a	01/24/17	02/01/12	05/01/12	09/02/13	84,764	A
151-6638940	151-7166018	08/12/09	07/01/04	03/01/13	01/06/14	56,515	A
151-7591004	n/a	10/30/11	09/01/04	09/01/04	01/14/05	64,600	T
151-7853397	151-8605939	07/27/10	05/01/10	03/01/12	07/01/13	52,663	A
161-2057177	n/a	07/29/10	03/01/04	04/01/04	03/21/05	42,371	A
161-2999992	n/a	05/11/16	06/01/11	11/01/11	07/18/13	30,714	A
181-2581870	n/a	05/19/15	07/01/10	07/01/10	09/07/13	43,170	A
182-0827009	n/a	12/12/11	07/01/07	12/01/10	06/01/13	77,536	A
221-3110968	n/a	01/10/05	09/30/00	06/01/12	04/25/13	56,849	A
221-3501664	n/a	02/14/11	01/01/04	06/01/04	05/20/05	19,133	T
221-4438597	n/a	08/05/15	12/01/10	07/01/11	11/10/13	70,795	A
221-4614006	n/a	01/24/16	02/01/11	07/01/12	07/29/13	57,789	A
241-8212969	n/a	07/16/13	08/01/08	09/01/09	01/18/14	159,826	A
241-8369993	n/a	12/31/13	02/01/09	11/01/10	07/09/12	256,436	A
241-8720629	n/a	06/29/14	11/01/09	09/01/10	10/23/11	218,486	A
241-8863920	n/a	09/23/14	11/01/10	04/01/12	01/06/14	48,008	A
241-8048302	241-8982342	12/08/13	05/01/10	01/01/11	12/23/13	70,884	A
261-8380314	n/a	02/24/10	08/01/03	12/01/04	03/06/05	29,444	A
261-8485988	n/a	07/06/09	02/01/04	08/01/04	07/14/05	22,826	T
261-8597097	n/a	01/12/09	02/01/05	02/01/05	03/25/06	65,900	T
281-2639246	n/a	04/28/04	11/30/99	06/01/04	10/08/04	25,642	T

Case number	Refinanced case number	Expiration date	Default date <sup>24</sup>	Oldest unpaid installment date	Claim date	Loss amount	Lender status <sup>25</sup>
292-4322685	n/a	04/06/11	12/01/03	12/01/03	03/25/04	18,648	A
292-4414985	n/a	04/06/11	09/01/04	09/01/04	01/14/05	27,898	A
292-4419136	n/a	11/14/11	07/01/04	07/01/04	12/06/04	31,467	T
292-5149597	n/a	12/16/38	02/01/09	10/01/09	12/23/13	82,728	A
321-2484573	n/a	12/22/12	05/01/08	12/01/10	11/11/12	66,328	A
332-4034164	n/a	03/15/10	01/01/04	01/01/04	05/20/04	27,575	T
332-4569667	n/a	05/23/13	07/01/08	07/01/08	05/13/13	207,788	T
332-4646174	n/a	11/14/13	04/01/09	01/01/10	12/23/13	143,394	A
332-4675998	n/a	09/11/13	12/01/11	12/01/11	01/31/14	87,097	A
332-4687921	n/a	10/08/13	09/01/10	09/01/10	01/18/14	44,045	T
351-4183460	n/a	04/27/09	10/01/02	10/01/03	06/06/05	15,509	A
351-4354466	n/a	10/17/08	03/01/04	03/01/04	02/10/05	9,008	A
351-4385883	n/a	05/02/08	07/01/03	03/01/05	10/07/05	8,398	A
351-4459934	n/a	04/05/10	04/01/04	04/01/04	08/12/04	17,593	T
351-4496972	n/a	11/19/08	09/01/05	07/01/08	09/06/13	80,792	A
351-4618114	n/a	06/23/09	10/01/04	04/01/05	02/17/05	12,942	A
351-4623245	n/a	08/12/09	12/31/04	11/01/04	03/20/05	33,429	T
351-4640295	n/a	11/02/10	11/01/04	11/01/04	09/24/05	30,492	T
351-4684808	n/a	02/11/35	02/01/06	06/01/11	11/16/13	50,313	T
351-4687211	n/a	08/15/35	04/01/07	05/01/09	09/06/13	40,131	T
351-4740533	n/a	10/04/11	04/01/06	10/01/11	06/13/13	144,420	T
351-4846379	n/a	12/12/11	04/01/07	09/01/11	01/27/14	106,149	A
351-4881489	n/a	04/06/12	06/01/07	03/01/09	10/09/10	80,403	A
351-4885649	n/a	05/09/12	06/01/07	05/01/10	05/23/13	154,006	T
351-4898432	n/a	07/11/12	07/01/07	06/01/10	11/16/13	102,489	T
351-5381836	n/a	04/28/14	06/01/09	06/01/12	01/12/14	91,554	A
351-5999718	n/a	01/14/16	04/01/11	08/01/11	09/19/13	78,445	A
352-5160009	n/a	05/31/10	05/01/04	05/01/04	04/15/05	87,020	T
352-5171660	n/a	05/31/10	08/31/04	08/01/04	09/18/05	156,147	T
352-5369987	n/a	11/21/11	11/01/08	05/01/10	01/26/14	286,840	T
352-5454143	n/a	02/02/11	04/01/06	12/01/08	09/06/13	178,893	T
352-5457871	n/a	11/27/11	10/01/06	07/01/09	06/02/13	354,721	A
352-5497631	n/a	03/14/12	04/01/07	12/01/08	05/24/13	254,070	T
352-5586675	n/a	08/09/12	08/01/07	08/01/07	11/05/12	641,325	T
352-5590208	n/a	08/09/12	01/01/08	09/01/08	11/04/12	421,243	T
352-5628943	n/a	11/27/12	06/01/08	10/01/08	09/27/13	154,983	T
352-5644437	n/a	03/24/13	08/01/08	10/01/08	05/24/13	347,490	A
352-5647932	n/a	04/02/13	04/01/08	10/01/10	01/31/14	131,722	A
352-5670312	n/a	05/12/13	10/01/08	10/01/08	10/05/13	445,475	T
352-5606019	352-5720947	05/04/14	06/01/08	03/01/10	12/20/13	186,442	T
352-5616124	352-5759347	12/27/12	03/01/09	02/01/11	01/30/14	151,700	A
352-6050094	n/a	03/31/14	08/01/09	02/01/10	09/26/13	211,652	A
352-5643880	352-6054277	12/26/12	03/01/12	08/01/12	01/05/14	396,472	T
352-6390520	n/a	07/20/14	09/01/09	04/01/11	01/13/14	227,562	A
352-6513260	n/a	10/14/14	02/01/10	03/01/12	12/06/13	193,885	A
352-6703974	n/a	02/08/15	03/01/10	03/01/10	05/12/13	223,020	A

Case number	Refinanced case number	Expiration date	Default date <sup>24</sup>	Oldest unpaid installment date	Claim date	Loss amount	Lender status <sup>25</sup>
352-6866555	n/a	06/25/15	09/01/10	03/01/12	10/05/13	88,205	A
352-6947931	n/a	11/08/15	01/01/11	03/01/11	09/21/13	220,453	A
352-6752418	352-7118668	04/27/15	05/01/11	07/01/11	10/11/13	153,289	T
352-7174653	n/a	08/05/41	10/01/11	10/01/11	09/29/12	82,664	A
371-2837126	n/a	06/16/05	10/31/00	06/01/04	09/22/05	9,736	A
371-3165547	n/a	08/30/10	08/01/03	06/01/04	03/06/05	7,892	T
371-3243122	n/a	05/06/10	09/01/03	09/01/03	02/09/04	30,272	A
371-3717179	n/a	12/26/12	01/01/08	05/01/11	04/18/13	33,907	A
372-2735798	n/a	01/27/03	09/30/98	08/01/04	12/10/04	8,152	T
372-3283040	n/a	07/11/10	03/01/04	06/01/04	09/20/04	26,495	T
372-3886121	n/a	04/24/39	09/01/11	12/01/12	01/05/14	74,121	T
374-4053374	n/a	07/30/09	08/01/03	08/01/03	05/24/04	66,992	T
374-4189929	n/a	05/14/08	09/01/03	10/01/03	08/15/04	124,832	T
374-4236696	n/a	08/01/08	09/01/03	09/01/03	05/24/04	99,733	T
374-4240474	n/a	10/27/10	12/01/03	12/01/03	04/16/04	74,127	T
374-4297672	n/a	10/16/08	03/01/04	09/01/04	09/25/05	16,977	T
374-4450438	n/a	01/19/10	10/01/08	02/01/09	12/08/13	259,213	T
374-4595283	n/a	03/27/12	09/01/07	04/01/12	08/22/13	325,263	T
374-4620365	n/a	01/12/13	02/01/08	04/01/08	11/17/12	317,147	A
374-4809802	n/a	09/30/38	11/01/08	11/01/08	09/09/13	306,643	T
374-4884169	n/a	09/04/13	02/01/09	05/01/09	08/10/13	296,474	T
374-4907638	n/a	02/12/14	03/01/09	03/01/09	10/26/12	579,650	A
374-4919150	n/a	03/19/14	03/01/09	04/01/09	08/15/13	320,442	A
374-4964714	n/a	06/18/14	09/01/09	11/01/09	08/12/13	394,246	T
374-5039890	n/a	06/01/14	01/01/10	03/01/10	01/10/14	180,424	A
374-5193285	n/a	06/30/14	06/01/10	01/01/12	02/03/14	284,985	T
374-5313170	n/a	10/01/14	02/01/10	08/01/10	04/04/11	155,328	A
374-5634529	n/a	05/04/15	07/01/10	10/01/11	06/01/13	305,546	A
374-5838647	n/a	10/19/15	12/01/10	10/01/11	08/10/13	166,707	A
411-3450070	n/a	12/14/10	05/01/04	08/01/10	07/15/13	61,980	T
411-3622036	n/a	05/18/10	03/01/04	03/01/04	02/28/05	62,015	A
411-4059116	n/a	11/06/12	03/01/08	05/01/08	07/01/13	207,492	T
412-4728809	n/a	01/26/11	02/01/02	12/01/04	05/15/05	30,839	A
412-5570684	n/a	06/15/12	11/01/07	08/01/11	07/04/13	109,758	A
412-5621632	n/a	12/04/12	11/01/07	07/01/11	06/02/13	90,212	T
412-5626912	n/a	11/14/12	06/01/08	11/01/08	05/23/13	52,310	T
412-5699541	n/a	03/27/13	04/01/08	05/01/09	05/05/13	83,985	A
413-4038917	n/a	01/31/08	09/01/03	09/01/03	02/12/04	33,099	A
413-4166744	n/a	05/18/10	03/01/04	03/01/04	02/28/05	65,596	A
413-4236092	n/a	05/18/10	12/01/03	12/01/03	05/23/04	31,767	A
421-3853130	n/a	01/26/11	02/28/03	05/01/05	10/27/05	40,511	A
421-3892855	n/a	03/05/33	09/01/03	09/01/03	02/15/04	22,270	A
421-3896317	n/a	02/24/33	12/01/03	12/01/03	03/18/04	17,412	A
421-3999019	n/a	10/07/10	09/01/04	09/01/04	01/02/05	15,018	A
421-4066314	n/a	01/23/12	06/01/05	06/01/05	11/07/05	67,056	T
421-4375395	n/a	05/28/13	08/01/08	02/01/09	11/16/13	64,431	A

Case number	Refinanced case number	Expiration date	Default date <sup>24</sup>	Oldest unpaid installment date	Claim date	Loss amount	Lender status <sup>25</sup>
421-4536402	n/a	03/16/14	05/01/09	06/01/09	07/27/13	66,576	A
422-2623457	n/a	01/26/10	06/01/04	06/01/04	11/13/04	15,669	T
441-6779241	n/a	08/04/09	03/01/03	11/01/03	04/15/04	14,966	A
441-6881818	n/a	03/22/10	01/01/04	02/01/04	04/24/04	11,415	A
441-6908180	n/a	08/16/10	06/01/04	07/01/04	09/06/04	10,636	A
441-7028574	n/a	02/07/10	02/01/03	06/01/03	05/21/04	14,832	A
441-7189755	n/a	10/27/11	04/01/04	05/01/04	03/20/05	13,250	A
441-7254705	n/a	06/27/10	10/01/03	10/01/03	12/11/04	29,440	A
441-7338279	n/a	05/24/11	03/01/04	04/01/04	10/22/05	93,634	A
441-7409267	n/a	05/24/11	05/01/04	05/01/04	09/16/04	16,826	A
441-7432986	n/a	10/12/11	05/01/04	02/01/05	12/24/05	16,360	T
441-7455284	n/a	01/11/12	07/01/04	07/01/04	03/07/05	12,970	A
441-7475158	n/a	05/24/11	10/01/04	02/01/05	06/16/05	28,713	A
441-8160475	n/a	04/09/13	07/01/08	05/01/10	12/08/13	50,241	A
441-9655917	n/a	03/05/40	06/01/10	06/01/10	08/12/13	87,508	A
442-2440523	n/a	10/12/11	01/01/05	01/01/05	05/05/05	22,518	T
442-2449653	n/a	10/12/11	07/01/05	07/01/05	12/08/05	41,618	T
446-0419123	n/a	10/20/15	01/01/11	03/01/11	05/19/13	91,453	A
446-0622970	n/a	07/18/16	11/01/11	11/01/11	11/19/12	109,051	A
451-1105688	n/a	09/22/15	10/01/10	11/01/10	05/27/12	148,263	A
461-3658004	n/a	11/30/09	07/01/03	07/01/03	07/12/04	40,335	A
461-3785070	n/a	06/16/33	11/01/03	08/01/04	01/31/05	68,534	A
461-4190864	n/a	02/01/13	02/01/08	11/01/08	07/14/13	116,674	A
481-2920224	n/a	04/27/14	07/01/09	01/01/12	02/01/14	80,528	A
483-3654829	483-4159574	11/02/11	09/01/09	11/01/10	01/17/14	87,271	T
491-7775664	n/a	02/28/33	07/01/03	07/01/03	05/20/04	77,873	A
491-7788198	n/a	01/24/33	04/01/03	08/01/03	02/06/04	29,440	A
491-7797857	n/a	03/27/33	03/01/03	11/01/03	04/03/04	32,015	A
491-7817265	n/a	08/15/10	09/01/04	10/01/04	12/17/04	56,780	A
491-8214326	n/a	03/05/34	12/31/04	01/01/05	02/10/05	70,689	A
491-8226744	n/a	11/24/08	10/01/04	02/01/05	06/10/05	50,504	A
491-8254653	n/a	08/26/10	06/01/04	07/01/04	09/17/04	26,064	A
491-9639290	n/a	09/16/14	11/01/09	10/01/12	01/03/14	118,640	A
492-6627669	n/a	01/03/12	10/01/04	10/01/04	02/20/05	64,851	A
492-6652845	n/a	09/06/10	11/01/03	11/01/03	11/13/04	23,718	T
492-6693879	n/a	04/07/11	05/01/04	05/01/04	09/02/04	30,567	A
492-6783078	n/a	05/15/08	06/01/04	06/01/04	10/22/04	55,655	A
492-6854434	n/a	04/14/11	01/01/04	12/01/03	04/03/04	53,020	A
492-6896014	n/a	10/22/08	12/01/03	12/01/03	04/11/04	36,704	A
492-6943572	n/a	09/15/08	05/01/04	05/01/04	09/11/04	62,620	A
492-6957751	n/a	11/17/33	03/01/04	05/01/04	09/05/04	47,174	T
492-7252860	n/a	01/30/12	12/01/04	12/01/04	04/17/05	36,500	A
492-7885648	n/a	11/19/12	01/01/08	02/01/11	06/15/13	62,125	A
493-7558467	n/a	02/13/34	12/01/03	12/01/03	04/10/04	26,243	A
493-7790146	n/a	04/26/11	10/01/04	10/01/04	02/11/05	44,607	A
493-7852047	n/a	09/13/09	10/01/04	10/01/04	06/05/05	55,646	A



Case number	Refinanced case number	Expiration date	Default date <sup>24</sup>	Oldest unpaid installment date	Claim date	Loss amount	Lender status <sup>25</sup>
493-7905859	n/a	12/16/09	01/01/05	01/01/05	05/15/05	39,553	A
495-6334157	n/a	12/20/09	03/01/04	03/01/04	07/15/04	33,306	A
495-6749841	n/a	03/07/12	10/01/04	12/01/04	03/13/05	51,145	T
495-7038050	n/a	06/12/11	11/01/04	12/01/04	04/14/05	36,523	A
495-7511408	n/a	11/03/11	10/01/06	01/01/09	06/02/13	49,336	T
501-7384457	n/a	12/27/36	11/01/08	05/01/09	09/06/13	140,923	A
521-5315608	n/a	01/26/11	02/01/05	02/01/05	06/16/05	14,606	A
521-5607344	n/a	06/18/33	10/01/03	10/01/03	05/20/04	53,340	A
541-7738733	n/a	03/19/13	12/01/08	04/01/11	01/18/14	104,755	A
544-0139184	n/a	08/16/17	12/01/12	12/01/12	12/29/13	22,048	A
561-7722152	n/a	03/13/33	11/01/03	11/01/03	04/15/04	28,378	A
561-7959341	n/a	01/30/09	09/01/04	09/01/04	06/17/05	34,492	T
561-8061603	n/a	08/19/09	09/01/05	02/01/09	01/24/14	141,714	T
561-8904049	n/a	03/09/14	11/01/09	07/01/10	05/17/12	159,251	A
581-2395831	n/a	02/14/11	06/01/04	08/01/04	06/30/05	12,970	T
581-2982261	n/a	03/22/13	06/01/08	04/01/11	07/28/13	100,523	T
581-4282041	n/a	10/25/16	11/01/11	02/01/12	10/29/12	74,181	A
<b>Totals</b>						<b>\$ 22,381,768</b>	<b>A = 150 T = 87</b>

## Appendix E

### CWCOT PROGRAM LOANS NOT BILLED

Case number	Refinanced case number	Expiration date	Default date <sup>26</sup>	Oldest unpaid installment date	Loss date	Loss amount	Lender status <sup>27</sup>
011-7288570	n/a	03/06/17	06/01/12	06/01/12	11/08/13	55,137	A
022-1534339	022-1798053	07/15/08	10/01/06	01/01/12	12/06/12	51,142	A
022-1843849	n/a	02/13/11	02/01/08	03/01/11	12/19/13	108,181	T
022-2261577	n/a	06/23/16	11/01/11	11/01/11	10/14/12	77,169	A
023-1622136	n/a	05/17/10	12/01/03	07/01/11	08/11/12	74,465	A
023-3937454	n/a	04/01/15	12/01/11	02/01/12	02/04/13	4,554	A
094-3222735	n/a	06/02/00	01/31/99	07/01/08	10/04/13	29,737	A
095-0170099	n/a	02/23/11	03/01/10	03/01/10	03/10/13	120,932	T
105-0748951	n/a	01/26/11	11/01/03	09/01/12	08/30/13	54,488	A
105-2849352	n/a	11/27/11	05/01/09	08/01/10	12/07/12	60,073	A
105-6472991	n/a	06/15/41	07/01/11	07/01/11	02/15/13	167,568	A
105-6897662	n/a	03/16/42	06/01/12	07/01/12	12/08/13	25,213	A
105-6905513	n/a	05/07/17	06/01/12	06/01/12	01/18/13	42,225	A
105-6972060	n/a	04/19/17	07/01/12	07/01/12	01/16/14	25,826	A
137-1544186	n/a	01/26/11	07/01/02	03/01/11	01/06/14	100,976	A
137-3615195	n/a	08/16/37	12/01/07	04/01/10	02/15/13	176,332	A
137-4451967	n/a	03/02/14	08/01/09	09/01/09	08/19/13	135,122	A
151-9016716	n/a	11/06/38	01/01/09	03/01/09	10/11/13	67,561	A
261-8002343	n/a	06/04/08	05/01/02	02/01/12	01/19/14	42,169	A
291-4500257	n/a	08/10/16	09/01/11	12/01/11	09/30/13	85,824	A
332-4395592	n/a	05/17/35	02/01/08	09/01/11	06/01/13	51,824	A
332-4657522	n/a	10/28/13	12/01/08	06/01/09	02/02/14	130,709	A
332-5504770	n/a	02/14/17	06/01/12	06/01/12	08/02/13	55,272	T
381-6766222	n/a	07/08/09	03/01/03	11/01/09	06/16/13	94,400	A
413-4325294	n/a	06/10/34	03/01/11	05/01/11	12/07/12	25,804	T
413-5388891	n/a	02/24/15	05/01/10	07/01/10	01/27/14	96,856	A
421-4085326	n/a	10/21/10	12/01/04	04/01/12	09/01/13	34,040	T
491-7590119	n/a	06/30/09	10/01/02	06/01/12	01/11/13	36,057	A
492-6107500	n/a	09/05/06	11/01/02	04/01/12	09/20/13	56,462	T
492-9189810	n/a	11/02/41	01/01/12	01/01/12	08/23/12	57,135	A
511-0426670	n/a	06/20/16	10/01/11	10/01/11	06/11/12	39,585	A
512-0267268	n/a	04/15/16	06/01/11	11/01/12	08/03/13	52,087	T
<b>Totals</b>						<b>\$2,234,925</b>	<b>A = 25 T = 7</b>

<sup>26</sup> Either the first unpaid default date (if earlier than the expiration date) or the open default status date. The open default status date is the status date that was submitted to the Single Family Default Monitoring System for the loan.

<sup>27</sup> A = active; T = terminated

## Appendix F

### LOANS IN DEFAULT AND NOT BILLED

Case number	Refinanced case number	Expiration date	Default date <sup>28</sup>	Oldest unpaid installment date	Loss date	Loss amount	Lender status <sup>29</sup>
011-4225007	n/a	09/17/02	12/31/97	04/01/06	05/08/07	\$35,148	T
011-4328272	n/a	08/26/03	05/01/02	09/01/05	02/15/08	62,985	T
011-4417104	n/a	02/02/04	11/30/99	06/01/05	05/30/08	40,960	T
011-4431526	n/a	03/12/04	07/31/99	06/01/04	11/21/05	36,844	T
011-4507330	n/a	08/18/04	05/31/00	09/01/05	12/08/08	71,991	T
011-5501964	n/a	04/17/11	06/01/06	05/01/11	10/24/12	70,383	A
022-1479964	n/a	08/31/04	10/31/00	11/01/11	06/21/13	4,658	T
022-1680929	n/a	08/29/10	10/01/03	08/01/11	02/01/13	88,423	T
023-0460273	n/a	01/25/06	06/30/01	11/01/07	08/20/09	124,832	T
023-0502271	n/a	02/27/06	10/01/01	05/01/08	08/06/11	97,930	T
023-0857045	n/a	05/18/08	02/01/02	04/01/10	10/11/11	50,899	T
023-1002267	n/a	07/28/09	01/01/03	01/01/10	07/29/12	34,187	A
023-1145619	n/a	12/28/09	02/01/03	02/01/11	06/15/12	43,388	A
023-1540571	n/a	03/04/10	03/01/04	01/01/11	07/18/12	39,701	T
023-1631961	n/a	05/04/09	01/01/05	05/01/10	04/17/12	101,168	A
023-2016834	n/a	11/01/09	02/01/09	07/01/10	11/22/11	74,635	A
031-2354406	n/a	08/28/01	04/30/97	04/01/06	09/18/09	29,711	T
031-2510964	n/a	08/10/03	09/30/98	06/01/05	05/28/06	5,042	A
031-2527425	n/a	05/26/03	08/31/98	07/01/05	11/14/06	7,081	T
031-2739641	n/a	08/29/05	09/01/04	10/01/05	04/16/07	23,470	A
031-3248391	n/a	01/06/10	05/01/07	02/01/11	11/26/11	52,995	A
045-6247298	n/a	09/08/10	05/01/08	01/01/11	10/31/12	32,100	A
052-1494933	n/a	06/28/09	02/01/04	02/01/10	04/26/11	84,332	A
052-1556630	n/a	12/09/08	01/01/08	12/01/09	04/12/11	52,882	T
052-2269054	n/a	01/26/11	07/01/05	04/01/11	07/17/12	24,688	A
052-3510205	n/a	03/07/10	09/01/05	05/01/11	01/31/13	52,543	T
052-4282506	n/a	02/27/13	05/01/08	11/01/12	09/06/13	53,148	A
061-2786983	n/a	10/03/10	08/01/04	03/01/12	08/30/13	76,025	A
092-6905304	n/a	07/16/02	07/31/00	07/01/09	06/16/11	55,333	T
092-8055284	n/a	01/10/05	11/30/00	04/01/05	07/23/10	43,084	T
092-8647832	n/a	08/23/06	12/31/01	07/01/08	05/09/12	81,800	T
093-4032467	n/a	06/08/01	01/31/99	10/01/08	05/08/13	41,673	T
101-7905473	n/a	09/04/02	11/30/98	02/01/06	12/19/08	71,630	T
101-8107155	n/a	10/07/03	12/31/98	12/01/03	04/17/07	34,987	T
101-8372797	n/a	12/31/03	12/31/99	07/01/08	12/07/09	40,571	A
101-8403366	n/a	03/26/04	04/30/99	04/01/07	09/05/08	42,859	A

<sup>28</sup> Either the first unpaid default date (if earlier than the expiration date) or the open default status date. The open default status date is the status date that was submitted to the Single Family Default Monitoring System for the loan.

<sup>29</sup> A = active; T = terminated

Case number	Refinanced case number	Expiration date	Default date <sup>28</sup>	Oldest unpaid installment date	Loss date	Loss amount	Lender status <sup>29</sup>
101-8456296	n/a	05/21/04	06/30/99	03/01/07	01/20/10	79,510	A
101-8586180	n/a	05/21/04	07/31/99	09/01/09	08/30/11	52,734	A
101-8634126	n/a	05/05/04	01/31/00	09/01/07	06/16/09	57,936	A
101-8729293	n/a	05/04/04	10/31/99	11/01/08	10/29/11	77,600	T
101-8919535	n/a	08/12/04	11/30/99	03/01/09	09/28/10	72,471	T
101-8952752	n/a	09/15/04	02/29/00	08/01/05	04/13/07	17,485	T
101-9009696	n/a	10/18/04	08/31/00	05/01/09	03/15/11	108,073	A
101-9025516	n/a	11/24/04	09/30/00	02/01/07	05/28/08	36,244	T
101-9064004	n/a	02/06/08	05/31/01	05/01/08	03/01/11	68,918	T
101-9240124	n/a	06/22/05	10/01/03	05/01/07	03/17/09	84,506	T
101-9247609	n/a	07/10/05	01/31/01	11/01/08	05/25/11	70,196	T
101-9485440	n/a	06/09/08	12/01/06	06/01/09	03/21/11	94,415	T
101-9518794	n/a	06/09/08	10/01/06	11/01/09	09/09/10	57,166	T
101-9562542	n/a	05/05/09	09/01/07	04/01/11	10/03/12	49,663	A
101-9565158	n/a	02/06/08	06/30/01	06/01/08	04/21/10	170,105	T
101-9769700	n/a	09/24/08	11/01/01	10/01/08	02/03/10	78,530	A
101-9819179	n/a	04/04/08	08/01/01	04/01/08	12/02/09	66,612	T
105-0453755	n/a	02/24/09	12/01/05	12/01/09	03/19/11	97,308	T
105-0979763	n/a	11/12/08	02/01/04	11/01/11	04/10/13	78,980	A
105-1827699	n/a	04/07/10	08/01/04	10/01/10	04/04/12	114,401	T
105-2025878	n/a	10/05/09	12/01/04	09/01/10	10/03/12	59,392	A
105-2031686	n/a	10/20/09	12/01/04	04/01/11	09/28/13	142,211	A
105-2260842	n/a	04/06/10	02/01/06	07/01/10	10/16/12	147,643	T
105-2491704	n/a	12/14/10	01/01/10	10/01/12	08/17/13	68,411	T
105-2532917	n/a	12/23/10	02/01/06	03/01/12	04/17/13	78,237	T
105-2676607	n/a	09/20/11	09/01/06	01/01/12	11/15/12	129,906	T
131-8501974	n/a	01/08/02	11/30/97	01/01/05	02/11/08	130,563	T
132-1811918	n/a	04/22/10	06/01/05	04/01/10	01/24/13	78,945	A
137-1245108	n/a	11/19/08	03/01/02	01/01/11	11/26/12	102,366	T
151-4882066	n/a	02/12/01	10/31/00	08/01/01	01/07/04	18,454	A
151-4980972	n/a	07/11/01	10/01/00	10/01/01	01/20/04	12,577	A
151-5288953	n/a	12/11/02	08/31/98	02/01/04	03/20/08	67,827	T
151-5521852	n/a	02/03/04	10/31/99	09/01/07	05/14/13	82,543	T
151-5792969	n/a	07/26/04	01/31/00	10/01/04	06/14/06	28,989	T
151-5828331	n/a	09/17/04	01/31/00	03/01/05	02/02/07	37,546	T
151-5896866	n/a	01/31/05	05/31/00	05/01/09	06/27/10	63,008	T
151-6004581	n/a	07/02/08	06/30/01	01/01/09	10/15/10	55,063	A
151-6386957	n/a	11/11/08	10/01/06	04/01/09	11/02/12	70,618	A
161-1713363	n/a	01/27/03	11/30/98	08/01/07	09/23/11	49,645	T
182-0806730	n/a	10/26/10	09/01/06	12/01/10	11/06/12	102,168	T
197-3366496	n/a	01/05/09	09/01/04	12/01/10	03/04/13	108,113	T
201-2614694	n/a	04/02/03	06/30/98	12/01/03	07/20/06	17,231	T
201-3174937	n/a	08/13/09	09/01/05	02/01/10	05/02/12	45,183	T
221-2769854	n/a	03/01/07	10/31/97	08/01/07	09/09/09	34,320	T
221-2798187	n/a	03/01/07	12/31/97	02/01/07	01/28/09	26,718	T

Case number	Refinanced case number	Expiration date	Default date <sup>28</sup>	Oldest unpaid installment date	Loss date	Loss amount	Lender status <sup>29</sup>
221-2950968	n/a	10/13/03	12/31/99	10/01/03	01/18/05	21,551	A
221-3465725	n/a	04/04/10	11/01/03	07/01/11	10/17/12	79,534	T
222-1372073	n/a	07/20/00	11/30/95	11/01/03	04/04/05	18,167	T
222-1439756	n/a	01/26/03	02/29/00	08/01/05	02/07/07	20,626	T
261-6584469	n/a	02/26/02	12/31/97	02/01/09	04/26/10	42,135	A
261-6643199	n/a	06/04/02	01/31/98	06/01/08	06/21/10	97,634	A
261-6931975	n/a	08/11/03	11/30/99	05/01/05	02/23/09	93,329	A
261-7056322	n/a	12/30/03	06/30/00	10/01/07	12/11/09	85,696	T
261-7091280	n/a	03/05/04	05/31/00	06/01/07	07/06/09	73,290	A
261-7153508	n/a	05/11/04	12/31/99	04/01/07	04/22/09	55,926	T
261-7400977	n/a	03/17/05	09/01/01	04/01/05	06/19/06	51,101	A
261-7432598	n/a	01/08/08	05/01/01	01/01/09	10/07/11	95,458	A
261-7809966	n/a	01/26/08	12/01/01	02/01/11	11/19/12	113,125	T
261-7991516	n/a	07/09/07	12/01/06	08/01/07	04/15/09	103,774	A
261-7787802	261-8761269	08/25/08	10/01/06	02/01/09	01/31/12	118,255	A
261-9111575	n/a	09/21/11	03/01/07	03/01/12	11/12/12	79,180	T
262-1238002	n/a	05/25/04	12/31/99	07/01/04	05/01/06	55,625	T
262-1300892	n/a	10/30/08	06/30/01	05/01/09	04/17/12	85,066	A
262-1453966	n/a	07/16/08	08/01/03	02/01/09	03/06/13	94,487	A
263-3157829	n/a	01/08/08	08/01/01	06/01/09	08/31/11	48,886	A
271-7388900	n/a	08/05/01	07/31/97	11/01/02	08/15/06	46,408	A
283-0165528	n/a	10/07/03	06/30/99	07/01/05	07/09/10	39,603	T
283-0174956	n/a	01/04/04	05/31/99	04/01/04	07/06/05	15,687	A
283-0177975	n/a	11/25/03	01/31/99	08/01/04	06/26/07	29,009	A
291-2518488	n/a	12/30/03	09/30/99	08/01/11	06/26/13	60,954	T
291-2704133	n/a	02/17/09	11/30/00	09/01/10	10/30/11	53,034	T
292-3720226	n/a	07/12/04	05/31/00	04/01/12	06/11/13	19,929	A
292-3859149	n/a	06/07/05	02/01/01	06/01/10	01/03/12	75,262	A
292-3870377	n/a	01/24/08	06/30/01	05/01/08	10/22/09	52,642	A
292-3919309	n/a	11/11/08	04/01/07	07/01/09	04/23/12	55,058	A
292-3811219	292-4129862	03/14/05	07/01/02	03/01/07	06/01/09	42,978	A
321-2067746	n/a	08/22/05	11/30/00	07/01/09	05/23/11	50,480	A
332-4335474	n/a	12/16/09	10/01/04	06/01/10	10/28/11	98,691	T
351-4737353	n/a	01/25/11	09/01/06	02/01/11	10/31/13	172,459	A
371-2429067	n/a	04/29/02	03/31/98	08/01/03	10/25/05	43,892	T
371-3013881	n/a	10/03/06	02/01/03	10/01/06	12/24/09	57,643	T
372-2459791	n/a	05/23/00	07/31/97	08/01/05	04/28/09	69,950	T
372-2785742	n/a	06/16/03	11/30/99	03/01/06	02/13/09	92,243	A
372-2906997	n/a	09/22/04	08/31/01	06/01/06	06/27/08	46,777	A
381-4329512	n/a	02/18/99	10/31/95	01/01/07	03/31/08	10,987	T
381-5307020	n/a	03/23/03	10/31/98	08/01/06	08/08/07	45,819	T
381-5492138	n/a	05/21/04	10/31/99	04/01/08	09/26/11	91,593	T
381-5556834	n/a	06/07/04	10/31/00	09/01/08	01/21/10	52,721	T
381-5759231	n/a	01/07/05	05/01/01	01/01/05	05/09/06	30,056	A
381-5760404	n/a	04/20/05	09/30/00	05/01/05	01/03/07	61,373	T
381-6439571	n/a	12/03/08	05/01/02	02/01/11	11/23/12	105,943	T

Case number	Refinanced case number	Expiration date	Default date <sup>28</sup>	Oldest unpaid installment date	Loss date	Loss amount	Lender status <sup>29</sup>
381-7454342	n/a	09/21/09	11/01/04	08/01/10	08/07/12	83,092	T
411-2890337	n/a	07/27/03	03/31/99	02/01/04	04/25/06	33,237	A
411-2975189	n/a	03/10/04	09/30/99	05/01/06	07/25/08	77,048	A
411-3186014	n/a	11/14/05	12/01/00	09/01/06	01/16/09	50,558	T
412-3903298	n/a	06/17/02	10/31/97	01/01/05	12/31/07	112,411	T
412-4324045	n/a	03/29/05	07/31/00	05/01/10	01/15/13	267,147	T
412-4539153	n/a	06/24/08	02/01/02	08/01/08	04/29/11	104,779	A
412-4641046	n/a	11/13/07	12/01/01	03/01/08	12/15/09	75,535	T
412-4875251	n/a	02/24/09	09/01/03	06/01/10	12/31/12	147,615	A
413-3852456	n/a	09/24/08	11/01/02	06/01/09	08/09/12	126,030	A
421-3285485	n/a	02/11/02	05/31/98	01/01/07	05/21/08	29,648	A
421-3722099	n/a	01/19/10	04/01/02	09/01/10	05/27/11	13,582	A
422-1791497	n/a	09/13/96	01/31/92	12/01/02	04/19/06	19,285	T
431-3354794	n/a	07/23/04	02/29/00	07/01/04	01/25/07	43,281	T
431-3435166	n/a	08/30/07	05/31/01	04/01/08	08/26/10	94,319	A
441-5315990	n/a	02/25/02	11/30/97	06/01/07	05/26/10	41,930	A
442-1850902	n/a	01/03/02	12/31/97	12/01/03	10/04/06	35,067	T
481-2097385	n/a	03/15/04	10/31/99	10/01/07	04/09/09	41,193	A
481-2149605	n/a	10/20/04	03/31/00	12/01/04	08/17/07	19,998	T
482-2292893	n/a	04/21/02	01/31/97	07/01/10	11/09/12	10,891	A
482-2752643	n/a	07/12/00	12/31/95	08/01/02	04/09/07	45,873	A
482-2806945	n/a	08/31/00	05/31/96	04/01/06	03/21/08	41,399	A
482-2840130	n/a	12/06/00	08/31/96	04/01/04	06/27/06	48,491	A
482-2921438	n/a	07/23/01	09/30/00	02/01/12	01/09/13	21,055	A
482-2921654	n/a	09/16/01	05/31/97	06/01/03	02/16/06	22,044	T
482-2921864	n/a	11/18/01	06/30/01	09/01/03	07/20/05	26,718	A
482-3040175	n/a	12/03/02	12/31/98	12/01/08	03/30/10	68,123	T
482-3049528	n/a	05/22/03	09/30/99	07/01/03	10/17/05	52,463	A
482-3087297	n/a	07/09/03	09/30/99	09/01/04	07/01/05	20,980	A
482-3298000	n/a	02/28/05	10/01/00	09/01/05	04/08/08	36,705	T
482-3315331	n/a	05/16/05	09/30/00	03/01/09	07/28/10	59,048	A
483-2642990	n/a	04/16/04	11/30/99	12/01/04	04/17/07	18,219	T
483-2856486	n/a	11/19/07	02/28/01	07/01/08	10/21/10	39,247	A
483-3266688	n/a	04/12/09	09/01/07	04/01/10	11/06/12	82,944	A
491-5934051	n/a	04/12/00	06/30/95	10/01/03	01/26/07	20,507	A
491-6148717	n/a	12/11/05	06/01/03	03/01/07	07/24/09	46,881	T
491-6168025	n/a	12/19/01	01/31/98	07/01/06	01/09/08	23,905	T
491-6336018	n/a	01/30/03	10/31/98	04/01/06	06/26/07	36,982	T
491-6347969	n/a	12/12/02	09/30/98	11/01/09	05/06/13	60,775	T
491-6396300	n/a	10/16/03	10/31/98	02/01/05	02/21/06	22,326	T
491-6425935	n/a	04/23/04	04/30/00	07/01/07	12/31/09	32,139	T
491-6473772	n/a	08/04/03	03/31/99	04/01/05	09/22/06	19,292	T
491-6497342	n/a	11/05/03	02/29/00	07/01/05	01/23/08	42,696	T
491-6651914	n/a	04/05/04	07/01/05	01/01/09	09/14/12	42,648	T
491-6842307	n/a	01/07/05	11/30/00	07/01/06	07/11/07	39,235	A

Case number	Refinanced case number	Expiration date	Default date <sup>28</sup>	Oldest unpaid installment date	Loss date	Loss amount	Lender status <sup>29</sup>
491-6893481	n/a	04/18/05	07/31/00	10/01/08	06/30/10	38,262	A
491-6981852	n/a	08/07/05	05/31/01	09/01/05	09/26/06	32,194	A
491-6986271	n/a	07/11/08	12/01/01	08/01/08	10/05/11	119,756	A
491-7350357	n/a	01/26/11	11/01/02	05/01/11	07/09/12	39,948	A
491-7374919	n/a	11/30/06	07/01/05	02/01/09	08/22/11	72,903	A
491-8777894	n/a	02/28/11	12/01/09	04/01/11	10/29/12	66,547	A
492-3710911	n/a	09/17/95	07/31/94	12/01/03	11/30/04	14,669	T
492-5084426	n/a	11/26/01	09/30/97	12/01/02	03/01/05	45,622	T
492-5117147	n/a	01/28/02	08/31/97	01/01/04	01/18/05	14,414	T
492-5164770	n/a	07/16/02	12/31/97	08/01/07	10/07/08	14,875	A
492-5329690	n/a	10/26/03	03/31/99	06/01/08	06/21/10	33,612	A
492-5377673	n/a	07/20/03	03/31/00	02/01/06	02/06/08	24,454	T
492-5410984	n/a	09/15/03	03/31/00	11/01/06	11/21/07	20,182	A
492-5647595	n/a	07/16/04	11/30/00	08/01/05	06/15/06	17,607	T
492-5918953	n/a	04/30/08	02/01/02	12/01/09	04/19/11	81,338	A
492-5943153	n/a	02/22/06	08/31/01	11/01/10	08/29/12	56,780	A
492-6498822	n/a	01/26/11	01/01/03	01/01/11	03/22/12	89,129	A
492-6512221	n/a	07/23/09	07/01/03	12/01/10	09/26/12	116,790	T
493-6203100	n/a	05/11/03	09/30/98	01/01/05	11/19/08	32,403	T
493-6224225	n/a	06/10/03	11/30/98	11/01/04	02/21/06	11,347	T
493-6292556	n/a	10/09/03	08/31/99	08/01/05	12/03/08	31,066	T
493-6331039	n/a	10/22/03	10/31/99	02/01/05	08/03/07	45,073	T
493-6572716	n/a	09/10/09	06/30/01	07/01/11	04/30/13	27,202	A
493-6845821	n/a	01/24/08	01/01/05	03/01/10	03/15/12	36,536	A
493-6942832	n/a	08/06/08	03/31/02	10/01/09	12/05/11	58,457	A
493-7094112	n/a	01/22/09	05/01/02	11/01/10	05/05/13	65,330	A
493-7369615	n/a	05/02/08	08/01/04	05/01/09	11/09/10	64,113	A
494-2415914	n/a	07/01/03	01/31/00	03/01/05	04/06/07	11,269	T
494-2624369	n/a	08/19/07	11/01/01	01/01/10	01/19/12	34,842	T
495-4463361	n/a	07/25/00	09/30/96	12/01/03	10/03/06	6,699	T
495-4849442	n/a	10/31/02	11/30/98	09/01/10	09/26/12	36,734	T
495-4985536	n/a	04/23/03	09/30/98	09/01/04	10/31/05	16,967	A
495-4994885	n/a	03/30/03	02/28/99	12/01/11	05/10/13	2,657	T
495-5090222	n/a	09/15/03	05/31/99	07/01/11	05/14/13	18,538	T
495-5112617	n/a	09/22/03	02/28/99	10/01/04	01/03/08	30,842	A
495-5354756	n/a	06/28/04	11/30/99	03/01/09	10/04/12	37,053	T
495-6016319	n/a	06/04/08	04/01/02	08/01/11	07/25/12	57,225	T
541-4841576	n/a	06/04/02	06/30/00	08/01/09	09/12/11	39,232	A
541-4961315	n/a	11/06/02	03/31/98	12/01/10	02/11/13	97,162	T
541-6213277	n/a	02/27/09	05/01/02	02/01/09	08/22/12	51,520	A
561-7098671	n/a	03/13/08	02/01/01	03/01/10	07/23/12	40,827	T
561-7143498	n/a	04/11/08	10/01/01	07/01/09	07/07/11	76,514	T
561-7498261	n/a	11/25/08	03/01/03	01/01/09	10/06/10	43,819	T
562-1822045	n/a	11/08/09	11/01/03	11/01/10	04/30/12	73,284	T
581-1990581	n/a	01/16/02	01/31/98	01/01/03	06/17/05	18,246	T

Case number	Refinanced case number	Expiration date	Default date <sup>28</sup>	Oldest unpaid installment date	Loss date	Loss amount	Lender status <sup>29</sup>
<b>Totals</b>						<b>\$12,490,032</b>	<b>A = 98 T = 119</b>



## Appendix G

### LOANS FOR WHICH THE INDEMNIFICATION AGREEMENTS DID NOT EXTEND TO STREAMLINE REFINANCES

Case number	Refinanced case number	Status <sup>30</sup>	Expiration date	Default date <sup>31</sup>	Oldest unpaid installment date	Unpaid balance	Loss amount	Lender status <sup>32</sup>
043-7722365	043-8992630	A	01/30/14	03/01/10	10/01/13	\$ 115,703		A
105-0046490	105-5054345	A	01/26/11	01/01/10	09/01/13	123,570		A
105-3224211	105-4800302	A	01/15/13	01/01/10	02/01/12	195,658		A
137-0990845	137-4363521	A	01/26/11	06/01/09	04/01/13	88,755		A
137-3759603	137-4807212	A	12/31/12	08/01/09	07/01/13	172,558		A
137-4126063	137-4470336	A	09/18/13	09/01/09	07/01/10	228,127		A
151-5362976	151-7189293	A	03/26/28			47,156		A
221-3216094	221-3378270	A	02/13/06	10/01/03	02/01/13	128,362		T
381-6006353	381-8021925	A	01/26/11	09/01/10	12/01/10	119,029		A
381-6175501	381-8949501	A	01/26/11	11/01/10	10/01/13	122,550		A
483-3114991	483-3720550	A	01/26/11	07/01/08	02/01/14	93,456		A
483-3817247	483-4164551	A	03/26/13	09/01/09	12/01/13	90,858		A
483-3961641	483-4585952	A	09/29/15			109,388		A
491-7441589	491-9464582	A	01/26/11	11/01/09	08/01/12	104,659		A
492-6424772	492-7864951	A	01/26/11	12/01/07	12/01/13	116,528		A
023-2630332	023-3618469	C	02/21/13	10/01/09	10/01/09		\$ 160,196	A
137-4157422	137-4592927	C	08/11/13	08/01/02	04/01/04	143,922 <sup>33</sup>		A
151-5444143	151-5752533	C	07/27/28	06/01/03	07/01/05		76,628	A
422-2409027	422-2516869	C	07/31/05	04/01/03	04/01/03		30,662	T
521-4594629	521-5435734	C	08/21/05	03/01/03	03/01/03		58,933	A
521-4646936	521-4939083	C	10/02/05	11/01/09	08/01/12		46,809	T
<b>Totals</b>		<b>A = 15 C = 6</b>	<b>Totals</b>			<b>\$2,000,279</b>	<b>\$373,228</b>	<b>A = 18 T = 3</b>

<sup>30</sup> A = active; C = claim

<sup>31</sup> Either the first unpaid default date (if earlier than the expiration date) or the open default status date. The open default status date is the status date that was submitted to the Single Family Default Monitoring System for the loan.

<sup>32</sup> A = active; T = terminated

<sup>33</sup> The amount noted is the claim amount. The property had not been sold by HUD as of April 30, 2014.