



NEW YORK STATE SENATOR

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Obama Administration Extends Application Deadline for the Making Home Affordable Program

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Extension through December 2015 Will Provide Struggling Homeowners Additional Time to Access Sustainable Mortgage Relief and Align End Dates for Key Assistance Programs

WASHINGTON – The U.S. Department of the Treasury and the U.S. Department of Housing and Urban Development today announced an extension of the Obama Administration’s Making Home Affordable Program through December 31, 2015. The new deadline was determined in coordination with the Federal Housing Finance Agency (FHFA) to align with extended deadlines for the Home Affordable Refinance Program (HARP) and the Streamlined Modification Initiative for homeowners with loans owned or guaranteed by Fannie Mae and Freddie Mac. The Making Home Affordable Program has been a critical part of the Obama Administration’s comprehensive efforts to provide relief to families at risk of foreclosure and help the housing market recover from a historic housing crisis. The program deadline was previously December 31, 2013.

“The housing market is gaining steam, but many homeowners are still struggling,” said Treasury Secretary Jacob J. Lew. “Helping responsible homeowners avoid foreclosure is part of our wide-ranging efforts to strengthen the middle class, and Making Home Affordable offers homeowners some of the deepest and most dependable assistance available to prevent foreclosure. Extending the program for two years will benefit many additional families while maintaining clear standards and accountability for an important part of the mortgage industry.”

“The Making Home Affordable Program has provided help and hope to America’s homeowners,” said HUD Secretary Shaun Donovan. “Families across the country have used its tools to reduce their principal, modify their mortgages, fight off foreclosure and stay in their homes - helping further stimulate our housing market recovery. And with this extension, we ensure that the program keeps supporting communities for years to come.”

Since its launch in March 2009, about 1.6 million actions have been taken through the program to provide relief to homeowners and nearly 1.3 million homeowners have been helped directly by the program. The Making Home Affordable Program includes the Home Affordable Modification Program or HAMP, which modifies the terms of a

homeowner's mortgage to reduce their monthly payment to prevent foreclosure. As of March 2013, more than 1.1 million homeowners have received a permanent modification of their mortgage through HAMP, with a median savings of \$546 every month – or 38 percent of their previous payment. Data from the Office of the Comptroller of the Currency (OCC) shows that the median savings for homeowners in HAMP is higher than the median savings for homeowners in private industry modifications, which has helped homeowners in HAMP sustain their mortgage payments at higher rates. As a result, HAMP modifications continue to exhibit lower delinquency and re-default rates than industry modifications.

The Making Home Affordable Program has also put into place important protections for homeowners that have helped inform efforts to create standards for the mortgage servicing industry. This includes requirements for mortgage servicers regarding clear and timely communications with homeowners and protections to ensure that homeowners are evaluated for assistance before being referred to foreclosure. The Administration has issued reports on the program every month since July 2009, which provide the most detailed information available about individual servicer efforts to assist homeowners. As part of this report, Treasury issues a quarterly assessment for each of the largest servicers in the program to highlight their compliance with program requirements.

Homeowners seeking assistance with their mortgage payments should remember that there is never a fee to apply to the Making Home Affordable Program. Homeowners can work with a HUD-approved housing counseling agency free-of-charge to understand their options and apply for help. Homeowners should visit MakingHomeAffordable.gov for more information about free resources for assistance or call 1-888-995-HOPE (4673).

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