

# The Way Forward

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# OneMod Analysis

WHERE HOMEOWNERS ARE LOCATED	
States	# of Homeowners
CA	2
FL	1
IN	1
MA	2
MD	1
ME	4
NC	2
NY	54
OH	2
OR	5
PA	4
TN	2
TX	11
<b>Grand Total</b>	<b>91</b>

AMI Levels	%	# of Homeowners
High	25%	23
Moderate	40%	36
Low	20%	18
Very Low	15%	14
<b>Grand Total</b>	<b>100%</b>	<b>91</b>

# OneMod Analysis

FINAL MBA PAYMENT COMPARED TO ORIGINAL PAYMENT	
Amount of decrease at 4% interest rate	Count of mod difference from orig payment ranges
Decrease 50% <	29.0%
Decrease 20 - 49%	49.5%
Decrease 16 - 19%	3.5%
Decrease 11 - 15%	3.5%
Decrease 6 - 10%	4.5%
Decrease .01 - 5%	4.5%
Increase 1 - 19%	4.5%
Increase 20 - 45%	1.0%
Increase 46% <	0.0%

DEEPER LOOK INTO FINAL MBA FOR 14 HOMEOWNERS WITH PAYMENT DECREASE <20%	
INCOME LEVEL	% PER INTEREST RATE
High	29%
Moderate	43%
Low	7%
Very Low	21%

# Loan to Value Impact

## OneMod results

<b>LOAN TO VALUE</b>	<b>NOT QUALIFIED</b>	<b>QUALIFIED</b>
At or Below 89% LTV	40%	50%
90%- 99% LTV	60%	16%
100% LTV or more	0%	34%

## FlexMod results

<b>LOAN TO VALUE</b>	<b>NOT QUALIFIED</b>	<b>INTEREST RATE ABOVE 4%</b>	<b>QUALIFIED</b>	<b>INTEREST RATE ABOVE 4%</b>
At or below 80%	37%	100%	63%	82%
81% or above	4%	0%	96%	0%

# Conclusions

- Overall OneMod and FlexMod will not be as beneficial for homeowners as HAMP Tier 1. Yet, it is an improvement over existing non-HAMP Tier 1 modifications that are being offered to homeowners.
- Without an HTI component, very low income homeowners are the least likely to achieve a payment reduction.
- Since both programs offer payment reduction on principal and interest without taking taxes and insurance into account, homeowners in states with high property taxes, like NY, are likely to end up with an unaffordable monthly payment.

# The Way Forward

- Warm transfer to HUD approved HCA's at first sign of trouble
  - Credit score drops
  - HAMP step rate upcoming
  - First late payment
  
- Exception pathway
  - Access
  - Triggers