

DEPARTMENT OF CORPORATIONS
California's Investment and Financing Authority



Preston Dufauchard
California Corporations Commissioner
Sacramento, California

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The California Department of Corporations continues to collect and compile results of a survey of Mortgage Servicers operating in the state. Corporations Commissioner Preston DuFauchard began this effort in 2007. Survey results are posted on a monthly basis for all of 2007, and includes monthly 2008 data.

The survey was refined beginning in January of 2008 to reveal more detailed information about loan workouts at the servicers. The new detail, for example, breaks down loan modifications into sub-categories that indicate the characteristics of the modification of terms (freezing interest rate, reducing interest rate, reducing principal, etc.).

The mortgage servicer survey results for July 2008 have been posted on the [accompanying table](#). The data show continued success for the Governor's Subprime Mortgage Agreement from November 2007.

The July results show that both the total number of loan workouts initiated and the number of loan workout closed have increased. Especially important is that the total number of loan modifications – the type of workout most beneficial to consumers – continues to rise significantly, from 10,858 in June to 12,657 in July. This represents a 16.57% increase in loan modifications over last month. Since January, the monthly count of loan modifications has more than doubled.

A further encouraging sign is that loan modifications continue to rise as a share of total workouts, now registering at just over 48 percent.

The total number of workouts initiated per month has also risen in each of the past two months. The number of workouts closed has consistently increased each month since January, rising more than 16% since last month to 26,538 in July.

For further information, please contact the Office of Public Affairs at the California Department of Corporations at (916) 322-7180.

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