

Yale University

EliScholar – A Digital Platform for Scholarly Publishing at Yale

YPFS Documents (Series 1)

[Browse by Media Type](#)

9-4-2007

Federal Financial Regulatory Agencies and CSBS Issue Statement on Loss Mitigation Strategies for Servicers of Residential Mortgages

Federal Reserve System: Board of Governors

United States: Federal Deposit Insurance Corporation (FDIC)

United States: Department of the Treasury: Office of the Comptroller of the Currency (OCC)

United States: Department of the Treasury: Office of Thrift Supervision

United States: National Credit Union Administration (NCUA)

See next page for additional authors

Follow this and additional works at: <https://elischolar.library.yale.edu/ypfs-documents>

Recommended Citation

Federal Reserve System: Board of Governors, United States: Federal Deposit Insurance Corporation (FDIC), United States: Department of the Treasury: Office of the Comptroller of the Currency (OCC), United States: Department of the Treasury: Office of Thrift Supervision, United States: National Credit Union Administration (NCUA), and Conference of State Bank Supervisors (CSBS), "Federal Financial Regulatory Agencies and CSBS Issue Statement on Loss Mitigation Strategies for Servicers of Residential Mortgages" (2007). *YPFS Documents (Series 1)*. 7701.
<https://elischolar.library.yale.edu/ypfs-documents/7701>

This Document is brought to you for free and open access by the Browse by Media Type at EliScholar – A Digital Platform for Scholarly Publishing at Yale. It has been accepted for inclusion in YPFS Documents (Series 1) by an authorized administrator of EliScholar – A Digital Platform for Scholarly Publishing at Yale. For more information, please contact elischolar@yale.edu.

Author/Creator

Federal Reserve System: Board of Governors, United States: Federal Deposit Insurance Corporation (FDIC), United States: Department of the Treasury: Office of the Comptroller of the Currency (OCC), United States: Department of the Treasury: Office of Thrift Supervision, United States: National Credit Union Administration (NCUA), and Conference of State Bank Supervisors (CSBS)

Joint Press Release

September 04, 2007

Federal Financial Regulatory Agencies and CSBS Issue Statement on Loss Mitigation Strategies for Servicers of Residential Mortgages

Board of Governors of the Federal Reserve System

Federal Deposit Insurance Corporation

Office of the Comptroller of the Currency

Office of Thrift Supervision

National Credit Union Administration

Conference of State Bank Supervisors

For immediate release

Share

The federal financial regulatory agencies and the Conference of State Bank Supervisors (CSBS) on Tuesday issued a statement encouraging federally regulated financial institutions and state-supervised entities that service securitized residential mortgages to review to determine the full extent of their authority under pooling and servicing agreements to identify borrowers at risk of default and pursue appropriate loss mitigation strategies designed to preserve homeownership.

Significant numbers of hybrid adjustable-rate mortgages will reset throughout the remainder of this year and next. Many subprime and other mortgage loans have been transferred into securitization trusts that are governed by pooling and servicing agreements. These agreements may allow servicers to contact borrowers at risk of default, assess whether default is reasonably foreseeable, and, if so, apply loss mitigation strategies designed to achieve sustainable mortgage obligations. Servicers may have the flexibility to contact borrowers in advance of loan resets.

Appropriate loss mitigation strategies may include, for example, loan modifications, deferral of payments, or a reduction of principal. In addition, institutions should consider referring appropriate borrowers to qualified homeownership counseling services that may be able to work with all parties to avoid unnecessary foreclosures.

The statement, which was issued by the Board of Governors of the Federal Reserve System, the Federal Deposit Insurance Corporation, the Office of the Comptroller of the Currency, the Office of Thrift Supervision, the National Credit Union Administration, and CSBS, is attached.



Attachment

Media Contact

Federal Reserve Board	Susan Stawick	202-452-2955
FDIC	Andrew Gray	202-898-7192
OCC	Kevin Mukri	202-874-5770
OTS	William Ruberry	202-906-6677
NCUA	John McKechnie	703-518-6331
CSBS	Mike Stevens	202-728-5701

Last Update: September 04, 2007