

## CFPB Releases Mortgage Complaint Overview

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Last week, the CFPB issued a Complaint Snapshot analyzing mortgage complaint data from November 1, 2016, to October 31, 2018. The report indicates an overall reduction in complaint volume for mortgage products over the time period analyzed.

Mortgage complaints declined by 15%, comparing the 3-month average of complaints from August to October 2017 with the 3-month average from August to October 2018. Similarly, mortgage complaints were down 18% in October 2018, as compared to the rolling 24-month average of complaints from November 1, 2016, to October 31, 2018.

Mortgage complaints declined from 2017 to 2018 in the majority of states (again, when comparing the 3-month average of August-October 2017 with that of August-October 2018). The states which saw an increase in mortgage complaints by this metric were Iowa (+48%), New Hampshire (+38%), New Mexico (+21%), Oregon (+17%), Florida (+7%), Oklahoma (+3%), and Connecticut (+1%). We note that the report excluded data for 12 states in which less than 25 mortgage complaints were received during the time frame covered in the report.

During the time period covered by the report, the CFPB received approximately 71,000 mortgage complaints through its Consumer Response system. As with prior data regarding mortgage complaints, the report shows that the majority of mortgage complaints involve servicing.

The two most common complaint categories were: (1) “trouble during payment process” – 42% of mortgage complaints; and (2) “struggling to pay mortgage” – 36% of mortgage complaints. Complaints classified as “trouble during payment process” alleged a wide range of problems, including issues with periodic statements, incorrect application of payments, incorrect shortages in escrow account analyses, and mishandled payoff statement requests. In the category of “struggling to pay mortgage”, complaints alleged issues such as difficulty receiving assistance following financial hardship, confusing denials of loan modifications, and unresponsiveness from the single point of contact.

The full report can be viewed [here](#).

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