







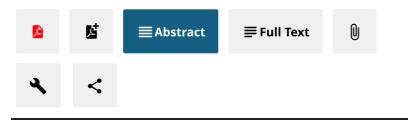
Journal of Political Economy > Volume 125, Number 3



NEXT ARTICLE >

Policy Intervention in Debt Renegotiation: Evidence from the Home Affordable Modification Program

Sumit Agarwal, Gene Amromin, Itzhak Ben-David, Souphala Chomsisengphet, Tomasz Piskorski, and Amit Seru



= More

Abstract

We evaluate the effects of the 2009 Home Affordable Modification Program (HAMP) that provided intermediaries with sizable financial incentives to renegotiate mortgages. HAMP increased intensity of renegotiations and prevented a substantial number of foreclosures but reached just one-third of its targeted indebted households. This shortfall was in large part due to low renegotiation intensity of a few large intermediaries and was driven by intermediary-specific factors. Exploiting regional variation in the intensity of program implementation by intermediaries suggests that the program was associated with a lower rate of foreclosures, consumer debt delinquencies, house price declines, and an increase in durable spending.



THE UNIVERSITY OF CHICAGO PRESS JOURNALS

The University of Chicago Press Books

Chicago Distribution Center

The University of Chicago

Accessibility

Open access at Chicago

Permissions

Statement of Publication Ethics

The Pillars of Diversity and Inclusion at the University of Chicago Press

Contact us

Terms and Conditions

Privacy Notice

Media and advertising requests



