## Agenda

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MHA Overview

Making Home Affordable (MHA) Programs

- Home Affordable Modification Program® (HAMP)
- Second Lien Modification Program℠ (2MP)
- Home Affordable Refinance Program (HARP)
- Home Affordable Unemployment Program℠ (UP)
- Principal Reduction Alternative℠ (PRA)
- Home Affordable Foreclosure Alternatives® (HAFA)
Enhancements designed to provide relief to more homeowners and to accelerate housing market recovery.

- Expansion of Program Eligibility
- Extension of Application Deadlines
- Increase in Investor Incentives for Principal Reduction
# Agenda

1. MHA Overview
2. NPV Definition
3. CheckMyNPV Overview and Calculator
4. Resources
5. Discussion / Questions
**NPV Definition**

**What is Net Present Value (NPV)?**

NPV compares the value of a dollar today to the value of that same dollar in the future, taking inflation and returns into account (www.investopedia.com).

**How Does NPV Apply to Modifications?**

- When considering a homeowner’s mortgage, investors will compare the mortgage with and without a modification to see which option produces a higher NPV.
- If the modified NPV is positive, the servicer must offer the modification to the homeowner.

**What is the NPV Evaluation Under HAMP?**

- Servicers are required to offer the HAMP modification for an *eligible* mortgage if the NPV of the mortgage with the HAMP modification is greater than the mortgage as is.
- Reminder: The NPV evaluation result is one of many eligibility factors that must be considered in determining whether a homeowner qualifies for HAMP.
**Agenda**

1. MHA Overview
2. NPV Definition
3. CheckMyNPV Overview and Calculator
4. Resources
5. Discussion / Questions
CheckMyNPV Overview

**Purpose**

- Help homeowners understand the HAMP NPV evaluation process
- Provide an easy to use tool for homeowners to conduct an NPV self-evaluation of their mortgage
- Promote and facilitate dialogue between homeowners and servicers

www.CheckMyNPV.com
CheckMyNPV Overview (continued)

Where Do Homeowners Get Their Information?

A homeowner's **Non-Approval Notice** containing a list of NPV inputs used by the servicer, if an NPV evaluation was completed.

A homeowner's **own documents**, such as mortgage statements, tax returns, income statements, and other publicly available resources.
CheckMyNPV Overview (continued)

Non-Approval Notice

Homeowners receive servicer-provided NPV inputs on the Non-Approval Notice, if an NPV evaluation was completed.

These homeowners may use CheckMyNPV.com to review their servicer NPV results using the servicer-provided inputs or enter their own estimated input values and compare the outcomes.
Homeowners without servicer-provided NPV inputs will have to estimate all input values.

These homeowners may use the CheckMyNPV.com website, which uses the same underlying formula as that of HAMP servicers, to conduct an NPV evaluation with their own estimated inputs.
CheckMyNPV Calculator (continued)

CheckMyNPV.com Home Page

GETTING STARTED WITH CheckMyNPV®

Overview

CheckMyNPV.com is a free tool provided by the United States Department of the Treasury, and the Department of Housing and Urban Development in conjunction with the Obama Administration's Making Home Affordable Program.

CheckMyNPV.com is designed to assist homeowners in conducting a net present value (NPV) evaluation of their mortgage for the Home Affordable Modification Program (HAMP).

Need more information about NPV?

CheckMyNPV.com can be used by homeowners who have been denied a HAMP modification because of their NPV result. Homeowners can enter the NPV input values listed in the HAMP Non-Approval Notice received from their mortgage servicer, or substitute with estimated NPV input values, to compare the outcome provided by CheckMyNPV.com against that on the Non-Approval Notice.

This tool can also be used by homeowners prior to applying for a HAMP modification to help them better understand the NPV evaluation.
CheckMyNPV Calculator (continued)

CheckMyNPV.com Home Page

This tool can also be used by homeowners prior to applying for a HAMP modification to help them better understand the NPV evaluation.

CheckMyNPV.com provides only an estimate of a mortgage servicer’s NPV evaluation. While the NPV formula used on CheckMyNPV.com is required to be the same as that of your mortgage servicer’s, differences in input data and other industry-related data may result in different outputs. After using CheckMyNPV.com, it is recommended that you save a copy of the evaluation and share it with your mortgage servicer to discuss options available to you.

Looking for the detailed explanation of the NPV methodology and model including all formulas and variables? Download the Official Net Present Value “Whitepaper” for more information.

Important!

Be aware that you cannot save your progress, so you will want to completely fill out the form prior to final submission. Do not click the back button at anytime during this process or you will lose all data entered.

Estimated time of completion is around 15 minutes.

Before you begin, you will need:

- The HAMP Non-Approval Notice with list of NPV inputs, if you received one from your mortgage servicer;
- The CheckMyNPV.com Quick Start Guide to find helpful information to lead you through the CheckMyNPV.com evaluation process.
1 Terms of Use Agreement

Please read this before you begin!

First, review the eligibility requirements for the Home Affordable Modification Program.

Then, if you want to evaluate your mortgage's NPV, continue by agreeing to the Terms of Use below and completing the entire form. Note that you may not save your progress, so once you begin you must complete and submit the entire form before results will be displayed.

Estimated completion time is 15 minutes.

Which best describes you? *

- Homeowner
- Counselor
- Other

Terms of Use *

THIS TERMS OF USE AGREEMENT (THE "AGREEMENT") GOVERNS YOUR USE OF THE RESULTS (THE "DATA") GENERATED THROUGH THIS CHECKMYNPV.COM WEB SITE (THE "SITE"). You acknowledge that you have read and understood the Site's Privacy Policy including without limitation the Disclaimer of Endorsement and Official Seal, Names and Symbols. In addition, you acknowledge that once the Data has been generated through the Site, the United States Government (including the Department of the Treasury ("Treasury")) cannot vouch for its quality and timeliness, and the United States Government cannot vouch for any analyses conducted with the Data retrieved from the Site.

☑ Yes, I have read, understood and agree to the Terms of Use of this site.

Type the two words: [Redacted]

Continue »
To determine if Fannie Mae or Freddie Mac is your investor, visit:
• www.fanniemae.com/loanlookup
• www.freddiemac.com/mymortgage

Look-Up Your Servicer
Visit www.MHA.gov for a complete list of mortgage servicers participating in HAMP.

Discount Rate Risk Premium
If you know the Discount Rate Risk Premium for your non-GSE servicer, enter value here.
3 Homeowner & Property Information

Data Collection Date
All mortgage data that changes over time is relative to the data collection date which may not be today.

Reside in Property
Is this the primary residence of the homeowner?

Borrower/Co-borrower Credit Scores
Visit www.AnnualCreditReport.com to obtain your credit score.

Monthly Gross Income
The total amount of monthly gross income from all homeowners on the loan.
Homeowner & Property Information (cont.)

You must complete all required fields in order to progress to the next step.

Reside in Property
If "no" is selected, additional information must be provided.

Housing Expense of Primary Residence
The total amount of monthly expenses related to maintaining the primary residence.

Monthly Gross Rental Income of Property
This is the income collected from the tenants.

Property Value
This is the estimated or the appraised value of the property.

Property Valuation Type
This is the method used to value the property.
Mortgage Information

Total First Mortgage Debt
The beginning balance to calculate the terms of the proposed modification.

Remaining Term on Your Mortgage
Number of months that are left to be billed on the mortgage.

Mortgage Insurance Coverage Percent
Percentage of coverage provided by mortgage insurance.

Modification Fees Paid by Investor
The fees and costs paid by the investor for a HAMP modification.
Mortgage Information (continued)

- **Do you have a fixed rate mortgage?**
  - If mortgage is not fixed, enter No.

- **Is your principal and interest payment scheduled to reset within 120 days from Data Collection Date?**
  - Enter either Yes or No.

- **Next Payment Reset Date**
  - The date on which the next principal and interest payment is due.

- **Next Reset Rate**
  - The expected interest rate on the mortgage at the next payment reset date.
Monthly Payment Information

Real Estate Taxes

Monthly cost of real estate or property taxes. Real estate taxes may be part of the monthly escrow payment.

Hazard and Flood Insurance

Monthly cost of the homeowner’s hazard and flood insurance coverage. This may also be a part of the monthly escrow payment.

Homeowner Association Fees and Escrow Shortage

Monthly homeowner or condominium association (HOA) fee payments, plus any monthly escrow shortages. If there are none, enter “0.”

Months Past Due

Number of mortgage payments needed to be paid for the mortgage to be considered “current,” as of the Data Collection Date.

Imminent Default

The mortgage is current or less than 30 days past due and the homeowner has suffered a hardship that puts them at risk of not being able to make future payments.
After clicking “Calculate,” a homeowner can not save any information or go back to the screens so they may want to print, save a copy as a PDF, or email this page to themselves. If all the information provided in this summary is correct, the homeowner may submit by clicking "Submit."
NPV Evaluation Results

May Be Eligible

Based on the information you provided you may be eligible for a HAMP modification. Be sure to save a copy of the information below and share it with your mortgage servicer to discuss options available to you.

Please note, CheckMyNPV.com provides only an estimate of a servicer's NPV evaluation. While the NPV formula used is required to be the same as your mortgage servicer's, differences in input data and other industry-related data may result in different outputs.

Your session has ended and you will not be able to run an NPV evaluation without completing this process again.

NPV Evaluation Results

• A summary of a homeowner's NPV evaluation results based on the information that was provided.
• For system errors, further instructions are provided based on homeowner self-identification.
NPV Evaluation Results (continued)

Information Calculated For You
Provides the key financial mortgage terms of the proposed HAMP modification you may be eligible for.

Information That You Provided
A display of every field directly entered by the homeowner.
NPV Evaluation Results (continued)

<table>
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<tr>
<th>Property Valuation Type</th>
<th>Estimated/AVM</th>
</tr>
</thead>
<tbody>
<tr>
<td>Mortgage Information</td>
<td></td>
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<tr>
<td>Original Loan Amount</td>
<td>$229,000.00</td>
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<tr>
<td>First Payment Date</td>
<td>01-01-2005</td>
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<tr>
<td>Do you have a fixed rate mortgage?</td>
<td>Yes</td>
</tr>
<tr>
<td>Is your principal and interest payment scheduled to reset within 120 days after the Data Collection Date?</td>
<td>Yes</td>
</tr>
<tr>
<td>Next Payment Date</td>
<td>06-01-2011</td>
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<tr>
<td>Next Reset Rate</td>
<td>8%</td>
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<tr>
<td>Unpaid Principal Balance of Your Mortgage</td>
<td>$213,000.00</td>
</tr>
<tr>
<td>Total First Mortgage Debt</td>
<td>$235,000.00</td>
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<tr>
<td>Interest Rate of Your Mortgage</td>
<td>4%</td>
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<tr>
<td>Remaining Term (Months Remaining) on Your Mortgage</td>
<td>250</td>
</tr>
<tr>
<td>Mortgage Insurance Coverage Amount</td>
<td>0%</td>
</tr>
<tr>
<td>Modification Fees Paid by Investor</td>
<td>$0.00</td>
</tr>
<tr>
<td>Monthly Payment Information</td>
<td></td>
</tr>
<tr>
<td>Principal and Interest</td>
<td>$1,200.00</td>
</tr>
<tr>
<td>Real Estate Taxes</td>
<td>$250.00</td>
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<tr>
<td>Hazard and Flood Insurance</td>
<td>$0.00</td>
</tr>
<tr>
<td>Homeowner Association Fees and Escrow Shortage</td>
<td>$200.00</td>
</tr>
<tr>
<td>Months Past Due</td>
<td>3</td>
</tr>
<tr>
<td>Imminent Default</td>
<td>Yes</td>
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</tbody>
</table>

Important information regarding NPV Evaluation results obtained from this site.

The net present value (NPV) of your mortgage is one of many factors that need to be considered in determining whether you are eligible for participation in the Making Home Affordable Modification Program (MHA). The NPV evaluation results generated through use of this Site ("NPV Results") are not evidence of, nor are they determinative of, your or any other person’s or entity’s eligibility for participation in any Federal, state, local, Fannie Mae, Freddie Mac or other mortgage foreclosure prevention or assistance type plan.

Remainder notifies homeowners of the possible limitations of results provided by the calculator.
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CheckMyNPV.com Resources

**Quick Start Guide**
Documents and information that the homeowner will need to begin using CheckMyNPV.com

**Frequently Asked Questions**
Detailed explanation of HAMP and NPV, plus answers to common homeowner inquiries.

**Input Worksheet**
A complete listing of all the input fields on CheckMyNPV.com

**Information Icons (i)**
These are located next to the input fields. Hovering the cursor over these icons reveals further information.

**Glossary of Terms**
Definitions to many of the terms used on the site.

**Sample HAMP Non-Approval Notice**
An example of the NON-APPROVAL document that the mortgage servicer may have sent to the homeowner.

**Income Worksheet**
Instructions and worksheet for calculating monthly gross income.

**Total First Mortgage Debt Worksheet**
Interactive worksheet to obtain a rough estimate of the principal balance used by the servicer.
## Industry Resources

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<th>Details</th>
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<tr>
<td><strong>HAMP Solution Center</strong></td>
<td>• (866) 939-4469</td>
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<td></td>
<td>• <a href="mailto:escalations@HMPadmin.com">escalations@HMPadmin.com</a></td>
</tr>
<tr>
<td><strong>HOPE Hotline</strong></td>
<td>• 888-995-HOPE</td>
</tr>
<tr>
<td><strong>Fannie Mae</strong></td>
<td>• (800) 7Fannie</td>
</tr>
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<td></td>
<td>• KnowYourOptions.com</td>
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<td></td>
<td>• <a href="mailto:Resource_center@fanniemae.com">Resource_center@fanniemae.com</a></td>
</tr>
<tr>
<td><strong>Freddie Mac</strong></td>
<td>• (800) Freddie, select option 2</td>
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<td></td>
<td>• FreddieMac.com</td>
</tr>
<tr>
<td><strong>FHA Loans</strong></td>
<td>• (877) 622-8525</td>
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<td>FHA National Servicing Center</td>
<td>• HUD.gov/offices/hsg/sfh/nsc/nschome.cfm</td>
</tr>
<tr>
<td><strong>USDA RHS Loan</strong></td>
<td>• (800) 414-1226</td>
</tr>
<tr>
<td>Centralized Servicing Center</td>
<td></td>
</tr>
<tr>
<td><strong>VA Loans</strong></td>
<td>• (877) 827-3702</td>
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<td>• HomeLoans.va.gov</td>
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Learn More About MHA

Visit HMPadmin.com for official guidance, learning opportunities, newsletters, and more.
Register for MHA Training

Webinars are conducted regularly on MHA program fundamentals, resources, and more.

Register today at HMPadmin.com.
Escalate Difficult-to-Resolve Cases

**Trusted advisors escalate cases to escalations@HMPadmin.com.**

**Follow up by phone to (866) 939-4469.**
Understand MHA Options

Find information on MHA programs and participating mortgage companies.
Discussion/Questions

Thank You!

U.S. Department of the Treasury
Homeownership Preservation Office