

## Submitting Loans to the Base NPV Model Software Tool

This job aid describes the process for a servicer to submit data on proposed modifications into the Base Net Present Value Model (Base NPV Model). The Base NPV Model meets the specifications of the Home Affordable Modification Program (HAMP), and is therefore illustrative of the NPV models to be used by servicers participating in the Program.

When determining whether a borrower is eligible under HAMP, the loan must be evaluated using a standardized net present value (NPV) test that compares the expected economic outcome of the loan with and without the proposed HAMP modification.

Servicers can perform the NPV test using the Base NPV Model software tool available to participating servicers in the secure section of [HMPadmin.com](http://HMPadmin.com).

To submit loans to the Base NPV Model Software Tool, follow the steps outlined below.

### Step 1

Log in to the secure servicer area of [HMPadmin.com](http://HMPadmin.com).

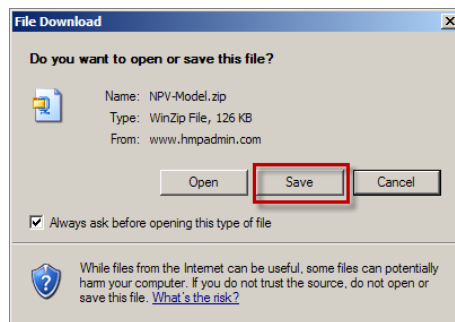
- Click **LOG IN** on the upper right hand side of the main page.
- Enter your **User ID and Password** that you were assigned when you registered for HAMP.

**Note:** The first time you log in you will be asked to accept the terms and conditions of the website. Check the appropriate box and click OK.

### Step 2

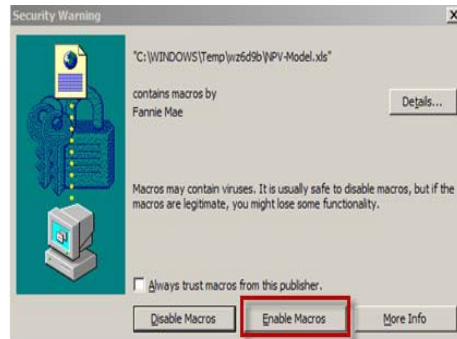
Download the NPV Model Excel Tool

- Once signed into **HMPadmin.com**, click the **Base NPV Model Tools & Documents** link.
- Click the **Base NPV Model** link.
- When the .zip file dialog box appears, click **Save** to save the file to your computer.



- Locate the file on your computer and double click to open the .zip file. Extract the .xls file from the .zip file by double clicking it.

- Save the **NPV Model Excel Tool** to your computer.
- Open the **NPV Model Excel Tool** by double-clicking the NPV-Model.xls file saved to your computer. The tool will open in an Excel spreadsheet
- When prompted by the security warning, click **Enable Macros**.

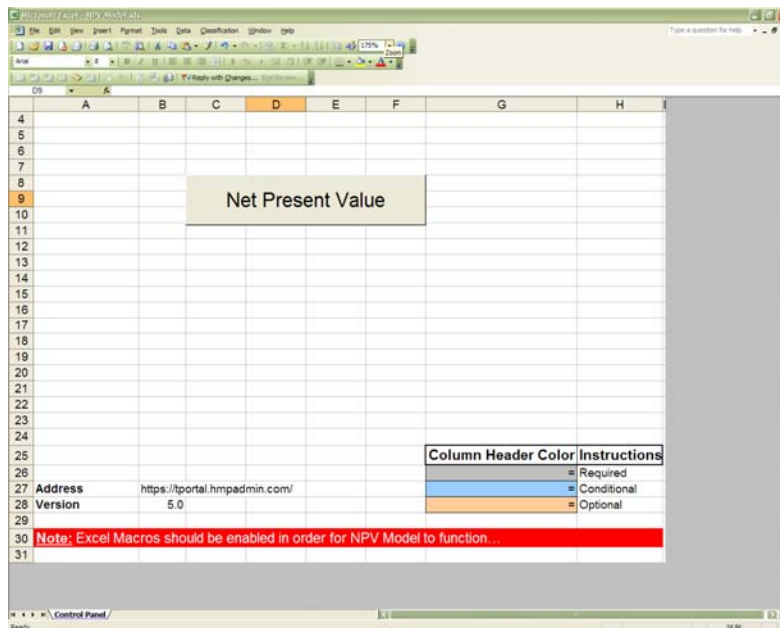


**Note:** If you have concerns about the spreadsheet authenticity, click **Details** from the **Security Warning** box and then **View Certificate**. Verify that the certificate is issued to Fannie Mae and issued by VeriSign®. If not, delete the spreadsheet file and return to Step 2.

## Step 3

### Using the NPV Model Excel Tool Spreadsheet

- Once launched, click **Net Present Value** from the main navigation screen to populate the spreadsheet tool.



- Populate the spreadsheet tool with the required data fields on each proposed modification. Complete one row of the spreadsheet for each loan.

	A	B	C	D	E	F	G	
	Validate	Clear		Home		Backup		
1	Investor	Servicer Loan Number	GSE Loan Number	HAMP Servicer Number	Data Collection Date	Property - Number of Units	First Payment Date at Origination	Unpl B C
2								
3								
4								
5								

**Note:** To enter data, you can either type it in or copy the data from another spreadsheet. When pasting copied data from another spreadsheet, use the Paste Special function from the Edit menu on the Excel toolbar and select Values to remove incompatible formatting.

**Non-GSE Loans:** NPV will be run as a single evaluation process. The NPV model will return NPV results for both HAMP Tier 1 and HAMP Tier 2 standard and alternative, as well as the terms of the modification for Tier 2.

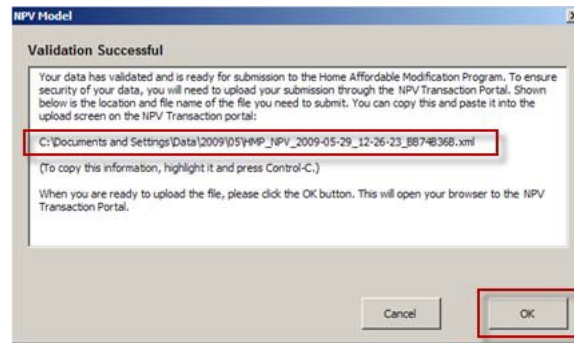
Columns	Input Values
<u>A through AG &amp; AQ</u>	Borrower and loan information (data typically already in the servicer's system).
<u>AH through AJ</u>	Servicer input of the discount rate risk premium, modification fees, and any mortgage insurance partial claim amount.
<u>AK through AP</u>	Terms of the proposed modification under the standard HAMP modification waterfall.
<u>AS through AY</u>	Terms of the proposed modification under the Principal Reduction Alternative (PRA) Program. <b><i>The model has the capability to accept and calculate the NPV for the standard and alternative waterfall simultaneously for the same loan in one submission. Base NPV model users will simply populate the standard waterfall fields in column AK – AP. For Non-GSE loans, if the Post Arrearage MTMLTV is greater than 115%, users will also populate the alternative waterfall fields in column AS – AY. Additionally, if servicer provides PRA Waterfall-Principal Forgiveness (Column AX is populated, servicers must populate AS-AY.) After submitting to the NPV Transaction portal, servicers will receive an output file with NPV results for both the standard and alternative waterfalls.</i></b>
<u>Column AZ – BI</u>	<b>Beginning with v5.0, additional data fields in column AZ – BI are used to generate the Tier 2 and Tier 2 PRA modification terms and NPV results.</b>

For additional information on the NPV Submission Tool Fields see Appendix A of the HAMP Base Net Present Value Model Spreadsheet Tool User Guide located on the secure side of HMPAdmin.com under the Base NPV Model: Tools & Documents link.

- Once all required fields are populated, confirm that the loan data on the screen is complete, accurate, and agrees with your records.
- Click **Validate**.

Investor		Servicer Loan Number	GSE Loan Number	HAMP Servicer Number	Data Collection Date	Property - Number of Units	First Payment Date at Origination	Unp E C

- If any required fields are incomplete, the Base NPV Model Software Tool will generate an error message and highlight the incomplete row. If you receive a validation error message, complete the required data field and click **Validate** again.
- When the validation is successful, the Base NPV Model Software Tool will generate a submission file and the Validation Successful window will display the location and name of your submission file. **DO NOT** rename the submission file.

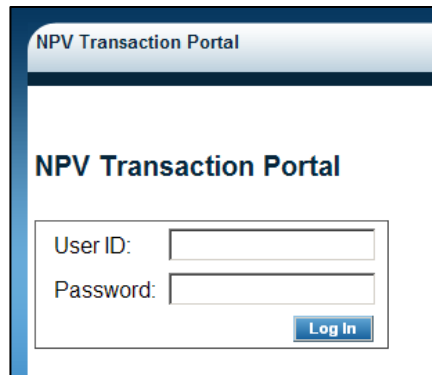


- Copy the complete location and file name from the Validation Successful window by highlighting the text and pressing Ctrl+C on your keyboard then click OK. (see example above)
- You will automatically be directed to the *NPV Transaction Portal* login page.

**Note:** If you are not automatically directed to the NPV Transaction Portal you can access it directly through this link: <https://tportal.hmpadmin.com>. You may also sign into the secure section of HMPAdmin.com; click the **Base NPV Model Tools & Documents** link; then click on the **Access the NPV Transaction Portal** link for access.

## Step 4

Using the NPV Transaction Portal to submit your validated .xml file:



The screenshot shows the NPV Transaction Portal login interface. It features a header with the text "NPV Transaction Portal". Below the header, the title "NPV Transaction Portal" is repeated. There are two input fields: "User ID:" and "Password:". A blue "Log In" button is positioned to the right of the password field.

- Enter your NPV Transaction Portal User ID and Password (the same User ID and Password you use to login to the secure servicer area).
- To submit your file for processing, select the **NPV Production** tab and click **Upload New NPV Production Files**.

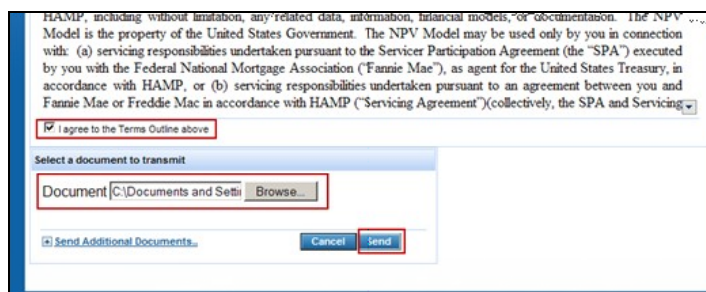


The screenshot displays the "NPV Production" section of the Home Affordable Modification Program portal. The page title is "Administrative Website for Servicers Home Affordable Modification Program" and it is "Administered by Fannie Mae". The "NPV Production" tab is selected, and the "Upload New NPV Production Files" link is highlighted with a red box. Below this, there are tabs for "Active Files" and "History". A table with columns for "Transaction ID", "Uploaded File Name", "Date Submitted", "Results File", "Results Processed", and "Results Downloaded" is visible at the bottom.

- The **Send NPV Production** documents screen appears.

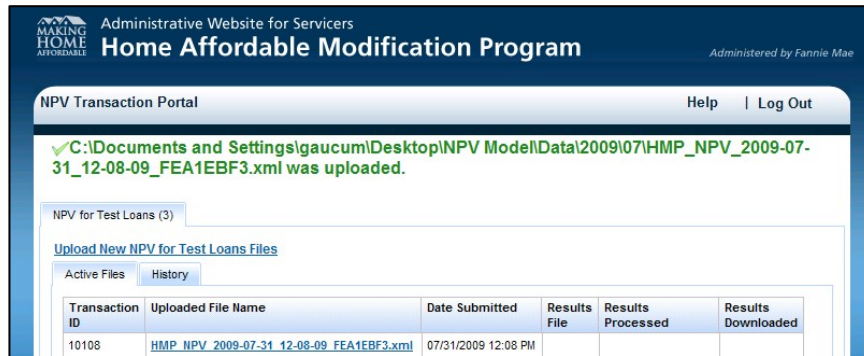
**Note:** On your first use of the NPV Transaction Portal, you will be asked to accept an End User License Agreement (EUL). Please review the EUL and select the checkbox to indicate that you agree to the terms of the EUL. If you do not accept the terms you will not be able to submit files for processing by the base NPV model.

- Next, click **Browse** and paste (Ctrl-V) the submission file name copied previously in the spreadsheet tool into the File Name field, click **Open**, then **Send**.
- **Do not** rename the file before submission as the portal will reject any filenames that do not conform to the system's naming convention.



The screenshot shows the "Send NPV Production" screen. At the top, there is a paragraph of text regarding the NPV Model's ownership and usage. Below this, there is a checkbox labeled "I agree to the Terms Outline above" which is checked. Underneath, there is a section titled "Select a document to transmit" with a text field containing "Document [C:\Documents and Settings\...] Browse...". At the bottom, there is a checkbox for "Send Additional Documents..." and two buttons: "Cancel" and "Send".

- Your submission file will be uploaded for processing and will appear on the **Active Files** tab of the NPV Transaction Portal.



## Step 5

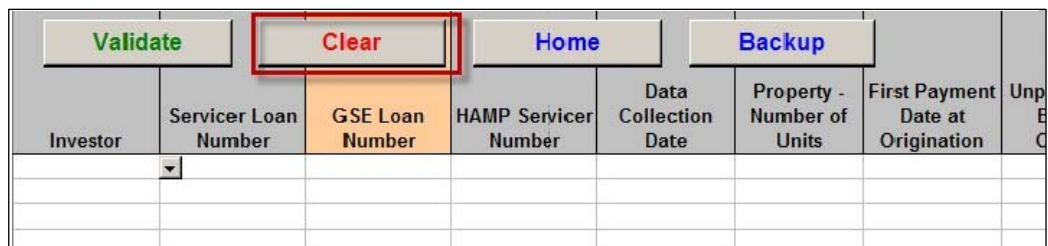
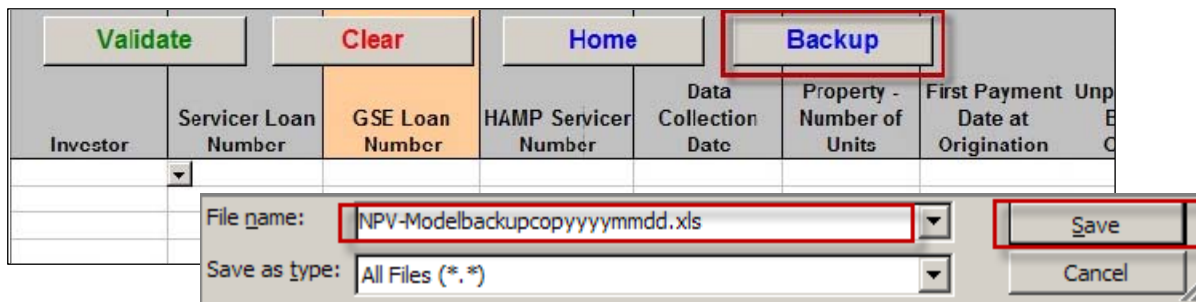
### Saving a backup copy of the original loan data from the NPV spreadsheet tool:

You must maintain detailed documentation of all your submissions to the Base NPV Model, including the Base NPV Model used and all NPV inputs and assumptions.

Since you cannot save the Base NPV Model Spreadsheet with data, the tool provides a function for you to save a backup copy of the data.

To do this:

- Click the **Backup** button.
- When prompted, choose a location and filename for the backup copy of your data. (*The file name must be different than the file name for the Base NPV Model Software Tool and should end in .xls.*)
- The Base NPV Model Software Tool will create another spreadsheet with your data. (*This process may take a moment to complete.*)
- Once complete, save the workbook by selecting **Save** from the **File** menu.



- After you have saved a backup copy of the spreadsheet data, click **Clear** to erase previously submitted data from the base NPV model software tool.

**Note:** If you need to resubmit this data using the Base NPV Model Spreadsheet Tool, you can open the backup spreadsheet and copy and paste data into the tool.

To retrieve your results, follow the steps described in the job aid, [Retrieving and Interpreting the NPV Test Results on HMPAdmin.com](#).

For more information on using the Base NPV Model Software Tool and for a complete list of data required by the base NPV model software tool, click on the [Base NPV Model User Guide v5.0](#) link located in the secure servicer area of [HMPAdmin.com](#).

### **NPV Test Consistency Guidance:**

If you are conducting an NPV test on a loan after the initial NPV test that determined eligibility, you must enter the initial NPV date (date of the initial NPV test used to determine trial modification eligibility) in the *NPV Date* field (column AR). Servicers must use the correct NPV date to ensure NPV test consistency. If you are conducting an NPV test on a loan for the first time, you must enter today's date in the *NPV Date* field (column AR).

Based on the NPV date you provide, the NPV model automatically sends the loan to the right model version (e.g., 8/15/2009 would send your loan to NPV model version 2). Servicer must use the current version of Base NPV Model.

For loans that are being evaluated for Tier 1 or Tier 2 for the first time on or after June 1, 2012, the servicer should use the current date as the NPV Date. The NPV Date must be held constant with any subsequent NPV runs of the loan for the same evaluation.

### **Re-evaluating Borrowers after an NPV Decision**

In some cases, a borrower may need to be re-evaluated for NPV after a servicer has already provided a decision on the borrower's initial application for a modification. There are three reasons that a borrower might need to be re-evaluated:

- There has been an **error in the initial NPV test** used to decision the borrower.
- There has been a **material change in the borrower's circumstances**.
- There has been a **change in HAMP policies**.

Each of these cases is covered in Base NPV Model Documentation section VI: Re-evaluating Borrowers after an NPV Decision pg 52. For each, the servicer must establish and maintain a process to identify and track the NPV record used to decision the borrower (or the "run-of-record").

### **Tier 2 Evaluation**

Servicers may need to evaluate a loan for Tier 2 that was originally evaluated for Tier 1 prior to June 1, 2012. The following types of loans have been identified in [Supplemental Directive 12-02](#) as potentially being eligible for modification under HAMP Tier 2:

- loans that defaulted on a HAMP Tier 1 trial period or permanent modification;
- loans that were denied a HAMP Tier 1 modification because they were NPV negative; and
- loans that were denied a HAMP Tier 1 modification because they would have required excessive forbearance or had a front-end debt-to-income (DTI) under 31%.

When evaluating a loan for Tier 2 that was originally evaluated for Tier 1 prior to June 1, 2012, servicers should use the NPV v5.0 or later spreadsheet tool and should use today's date for the NPV Date (column AR.) Do **not** use the NPV date from your Tier 1 evaluation.