

Tier 1 and Tier 2 NPV Reporting Guidance

Policy requires that all NPV data reported into the HAMP® Reporting Tool must match the NPV run-of-record whether the evaluation is through the Treasury Hosted NPV Model or a re-coded version of the NPV Model. The run-of-record of the NPV run is the record that was used to decision the borrower's modification application.

Loan Identification Attributes

When evaluating a loan using either the Treasury Hosted NPV Portal on HMPAdmin.com or an approved re-coded model, the servicer must use the loan's actual loan number with no characters added, deleted, truncated, or modified.

Loan identification attributes must be consistent between Treasury Hosted NPV Model and any HAMP Reporting Tool submission.

NPV Run-of-Record

For servicers using the Treasury Hosted NPV Portal, the run-of-record used for evaluation must be run through the "Production Tab" of the tool.

Servicers that do not use the Treasury Hosted NPV Portal on HMPAdmin.com, must report the loan-level NPV Data via the HAMP Reporting Tool Additional Data Reporting (ADR) transaction.

- Servicers must report by selecting NPV Model Type Code: 2. Base NPV Model - Servicer Hosted. This code indicates that the servicer used a re-coded NPV model.
- Schedule III is required to be provided for each run-of-record.

Whether the Servicer provides NPV data either by running through the Treasury Hosted NPV Portal or the ADR transaction (Schedule III), the following applies:

- All data points populated in a run-of-record must be complete and reflect the accurate loan attributes at the time of evaluation.
- When reporting on the Trial and Official Set-up transactions to the HAMP Reporting Tool, the NPV fields must match the outputs of the NPV run-of record:
 - NPV Date (DD119)
 - NPV Model Result Amount Pre-Mod (DD121)
 - NPV Model Result Amount Post-Mod (DD120)
 - Principal Reduction AlternativeSM (PRASM) NPV Model Result Amount Pre-mod (DD571) *if applicable*
 - Principal Reduction Alternative (PRA) NPV Model Result Amount Post-mod (DD570) *if applicable*
- The data must be consistent with the servicer's records.
- The run-of-record must also be stored in the servicer's systems with perfect consistency for retrieval if necessary.

NPV Re-evaluation

Per the MHA Handbook Chapter 2, Section 7.7 NPV Requirements for Disputed Inputs:

- When servicers re-evaluate NPV results based on a borrower's written evidence of disputed variables, servicers must conduct the NPV test using the same major version of the NPV model (Data Collection Date and NPV Date) that was used to test the loan for Trial Period Plan (TPP) eligibility. To further clarify, the servicer must be able to identify the original run-of-record in order to determine which inputs to hold constant.

- All NPV inputs should remain constant when the borrower is re-evaluated, except those inputs that are determined to be materially inaccurate based on the borrower's written evidence.
- After the loan is re-evaluated, a new run-of-record must be created.
- The servicer must be able to distinguish between the runs-of-record of the original evaluation and of the re-evaluation, and the run-of-record that was used for final determination must be reported to the Program Administrator

Quality Assurance

MHA-C requires that servicers implement a quality assurance protocol to ensure that servicers re-coded NPV model is independently validated on a monthly basis against the Treasury NPV Portal using a statistically valid sample of the servicer's own production loans. When completing this quality assurance review or in any other sample loan review through the Treasury NPV Portal, the servicer must use the "Test Tab" of the NPV tool to avoid creating official MHA records.