

Help for America's Homeowners

MAKING HOME AFFORDABLE

Streamline HAMP Modification Process
Training for Servicers

MAKING HOME AFFORDABLE | September 2016

Help for America's Homeowners

MAKING HOME AFFORDABLE

Agenda

- 1 Overview
- 2 Eligibility Criteria
- 3 Streamline HAMP Policy and Streamline HAMP NPV Tool
- 4 Streamline HAMP Process
- 5 Resources

MAKING HOME AFFORDABLE | September 2016

Help for America's Homeowners

MAKING HOME AFFORDABLE

MHA Offers Solutions
MHA and related programs work together to help borrowers avoid foreclosure

MAKING HOME AFFORDABLE | September 2016

Help for America's Homeowners MAKING HOME AFFORDABLE

Overview

What is Streamline HAMP

- Provide assistance to borrowers who:
 - Meet the basic HAMP eligibility criteria; and
 - Have not completed an application by the time their loan is 90 days delinquent (or 60 days delinquent within a 12 month period following an interest rate step-up under HAMP Tier 1).
- Effective Date – January 1, 2016
- Prior to January 1, 2016, servicers could begin offering Streamline HAMP once the servicer's Streamline HAMP Policy was in place.

4 Making Home Affordable | September 2016

Help for America's Homeowners MAKING HOME AFFORDABLE

Agenda

- Overview
- Eligibility Criteria
- Streamline HAMP Policy and Streamline HAMP NPV Tool
- Streamline HAMP Process
- Resources

5 Making Home Affordable | September 2016

Help for America's Homeowners MAKING HOME AFFORDABLE

Streamline HAMP Eligibility Scenarios

Criteria	Guideline	Streamline HAMP
Origination	The mortgage loan is a first lien originated on or before January 1, 2009.	✓
Property Condition	The property securing the mortgage loan has not been condemned.	✓
Financial Hardship	The borrower must be able to certify as to a financial hardship.	✓
Unpaid Principal Balance Limits	The unpaid principal balance, prior to capitalization, must be less than or equal to: <ul style="list-style-type: none"> \$729,750 for a one-unit property \$934,200 for a two-unit property \$1,129,250 for a three-unit property \$1,403,400 for a four-unit property 	✓
Single Family Property	The mortgage loan is secured by a one-to-four unit property.	✓

6 Making Home Affordable | September 2016

Help for America's Homeowners MAKING HOME AFFORDABLE

Streamline HAMP Eligibility

Program Cut-off

- A borrower is NOT required to submit an Initial Package; however, to be considered for an offer under Streamline HAMP on or after December 31, 2016, a borrower must submit at least one component of the Loss Mitigation Application on or before December 30, 2016, and the servicer must not have already sent a Non-Approval Notice in response to such application.
 - A servicer may also make a Streamline HAMP offer after December 30, 2016 in response to a borrower's oral request to be evaluated for a loss mitigation solution on or before December 30, 2016. Such offer can be made regardless of whether the borrower has submitted at least one component of a Loss Mitigation Application and provided that the borrower meets all eligible criteria and the servicer's Streamline HAMP Policy allows for oral requests.
- The Modification Effective Date must be on or before December 1, 2017.

7

Help for America's Homeowners MAKING HOME AFFORDABLE

Streamline HAMP Eligibility Scenarios (continued)

Criteria	Guideline	Streamline HAMP
Owner Occupied	The mortgage loan must be secured by a single family property that is either owner-occupied (i.e. occupied by borrower as his or her principal residence) or used for rental purposes.	✓
Rental Property	The mortgage loan is secured by a single-family property that is used by the borrower for rental purposes only and not occupied by the borrower, as a principal residence, second home, or vacation home.	✓
Delinquency	<ul style="list-style-type: none"> The mortgage loan is at least 90 days delinquent; or 60 days delinquent if within the 12 month period following an interest rate step-up under HAMP Tier 1. 	✓

8

Help for America's Homeowners MAKING HOME AFFORDABLE

Streamline HAMP Eligibility Scenarios (continued)

Criteria	Guideline	Streamline HAMP
Previous Solicitation for HAMP	<ul style="list-style-type: none"> The borrower was previously solicited for a HAMP modification. If the loan was previously evaluated for, but not offered a HAMP modification, the servicer may, but is not required to, offer Streamline HAMP. 	✓
Previous HAMP Tier 1 or Tier 2 Permanent modification	<ul style="list-style-type: none"> 12 months have passed since the previous Modification Effective Date; or The borrower has experienced a change in circumstance. 	✓
Unexpired Loss Mitigation Offer	The mortgage loan is not subject to a loss mitigation offer for which the acceptance period has not expired.	✓
Active Loss Mitigation Solution	The mortgage loan is not currently performing under a loss mitigation solution.	✓

9

Help for America's Homeowners MAKING HOME AFFORDABLE

Streamline HAMP Ineligibility

HAMP Tier 1 or Tier 2 Consideration

A loan that is not eligible for Streamline HAMP may be considered for HAMP Tier 1 or HAMP Tier 2 if:

- The borrower has submitted an Initial Package;
- The loan meets the eligibility criteria for HAMP Tier 1 or HAMP Tier 2; and
- The borrower has not previously received two permanent modifications or defaulted on two TPPs (or a combination of both) with respect to the same loan under HAMP.

Making Home Affordable | September 2014 13

Help for America's Homeowners MAKING HOME AFFORDABLE

Agenda

- 1 Overview
- 2 Eligibility Criteria
- 3 Streamline HAMP Policy and Streamline HAMP NPV Tool
- 4 Streamline HAMP Process
- 5 Resources

Making Home Affordable | September 2014 14

Help for America's Homeowners MAKING HOME AFFORDABLE

Streamline HAMP Policy

The Streamline HAMP Policy describes the basis on which servicers will consider borrowers for Streamline HAMP. A servicer's Streamline HAMP Policy must include (as applicable):

- ✓ The date by which the servicer will begin to offer Streamline HAMP (if servicer decides to participate)
- ✓ The manner in which the servicer will offer Streamline HAMP using an alternative waterfall
- ✓ Frequency with which the servicer's portfolio will be evaluated using the Streamline HAMP NPV Tool
- ✓ Description of the servicer's continued outreach efforts for Streamline HAMP offers
- ✓ Segmentation of the servicer's portfolio for evaluation with the Streamline HAMP NPV Tool
- ✓ The percentage of P&I reduction (if any) required by the servicer for Streamline HAMP
- ✓ Eligibility Criteria (if in addition to or more restrictive than standard Streamline HAMP criteria)
- ✓ Whether Streamline HAMP offers will be made to borrowers who default on HAMP Tier 1 or HAMP Tier 2 TPPs on or after December 31, 2016

Servicers must provide a copy of their Streamline HAMP Policy to Treasury and the Program Administrator upon request.

Making Home Affordable | September 2014 15

Help for America's Homeowners MAKING HOME AFFORDABLE

Agenda

- 1 Overview
- 2 Eligibility Criteria
- 3 Streamline HAMP Policy and Streamline HAMP NPV Tool
- 4 Streamline HAMP Process**
- 5 Resources

MAKING HOME AFFORDABLE | September 2016 19

Help for America's Homeowners MAKING HOME AFFORDABLE

Streamline HAMP Process

Streamline HAMP Offer

Upon determination that a loan is eligible for Streamline HAMP in accordance with its Streamline HAMP Policy, the servicer must send the borrower a Streamline HAMP Offer within 15 calendar days.

- For the initial population of loans, servicers will have 60 calendar days to send Streamline HAMP offers.

The Streamline HAMP Offer must also include:

- Sufficient information to enable the borrower to submit an Initial Package if he or she is potentially eligible for HAMP (Tier 1 or Tier 2); and
- The date by which the borrower must return an Initial Package in order to be evaluated for HAMP Tier 1 or Tier 2.

Note: Effective September 1, 2016 servicers are no longer required to specify a date by which a borrower must submit an Initial Package and may specify submission of a Loss Mitigation Application in lieu of an Initial Package.

Note: Servicers are not required to offer a Streamline HAMP modification within 60 calendar days prior to a scheduled foreclosure sale date.

MAKING HOME AFFORDABLE | September 2016 20

Help for America's Homeowners MAKING HOME AFFORDABLE

Streamline HAMP Process

Streamline HAMP Offer


- Describes the terms and conditions of the three-month trial period and outlines the required payment due dates.
- Borrower is not required to sign or return the Streamline HAMP Offer.
- A copy must be retained in the mortgage file and include the date the Streamline HAMP Offer was mailed to borrower.

Effective Date

- Streamline HAMP Offer is transmitted on or before the 15th calendar day = TPP Effective date is the first day of the next month. *Example: Transmit date June 5th = TPP Effective Date July 1st.*
- Streamline HAMP Offer is transmitted on the 16th calendar day or later = TPP Effective Date is the first day of the second month (or following month, if borrower agrees). *Example: Transmit date June 17th = TPP Effective Date August 1st or (July 1st, with borrower's consent).*


Servicers required or who have elected to offer counseling under the Handbook, must refer any borrower who accepts a Streamline HAMP Offer to financial counseling, promptly following acceptance.


MAKING HOME AFFORDABLE | September 2016 21



Help for America's Homeowners
MAKING HOME AFFORDABLE

Streamline HAMP Process

Streamline HAMP TPP Offer


- 

After a Streamline Offer is sent, a loan will continue to be eligible for Streamline HAMP even if the borrower subsequently makes payments that reduce the delinquency of the loan less than 90 days, or 60 days as applicable, provided the loan is at least 30 days or more delinquent at the start of the TPP.
- 

Servicers may include the Streamline HAMP Affidavit with the Streamline HAMP Offer, but may not require the borrower to sign or return the Streamline HAMP Affidavit as a condition of the acceptance of the Streamline HAMP TPP.
- 

If the servicer receives the executed Streamline HAMP Affidavit before the servicer sends the borrower the Streamline HAMP documents for signature, the servicer does not have to re-send the Streamline HAMP Affidavit with the Streamline HAMP modification agreement.

Making Home Affordable | September 2014 22



Help for America's Homeowners
MAKING HOME AFFORDABLE

Streamline HAMP Process

Streamline HAMP Offer

- Servicers are not required to verify the borrower's income, nor is there a Debt-to-Income (DTI) ratio required.
- Receipt of the first payment (on or before the last day of the month in which the payment is due) is evidence of borrower acceptance of the Streamline HAMP Offer and the terms.
- A borrower that fails to make a current trial period payment for a Streamline HAMP TPP is not eligible for a Streamline HAMP permanent modification of that loan.

Making Home Affordable | September 2014 23


Help for America's Homeowners
MAKING HOME AFFORDABLE

Streamline HAMP Process

Protections Against Unnecessary Foreclosure

- The servicer may not refer a loan to foreclosure or conduct a scheduled foreclosure sale after the borrower has accepted a Streamline HAMP Offer.
- If the loan already has a scheduled foreclosure date, servicers must state in the Streamline HAMP Offer that the borrower must make the first trial payment before the scheduled foreclosure sale date (or an earlier date as specified by the servicer).

Making Home Affordable | September 2014 24

Help for America's Homeowners MAKING HOME AFFORDABLE

Agenda

- 1 Overview
- 2 Eligibility Criteria
- 3 Streamline HAMP Policy and Streamline HAMP NPV Tool
- 4 Streamline HAMP Process
- 5 Resources

Making Home Affordable | September 2014 31

Help for America's Homeowners MAKING HOME AFFORDABLE

Resources

Additional Resources

Servicer Integration Team
HAMP_Integration_Team
@fanniemaef

HAMP Solution Center
support@hmpadmin.com

www.HMPadmin.com

- MHA Programs
- Learning Center
- Resources
- News
- Contact Us

Making Home Affordable | September 2014 32

Help for America's Homeowners MAKING HOME AFFORDABLE

Discussion/Questions

Thank You

Making Home Affordable | September 2014 33
