

MHA UPDATE

November 4, 2012

Additional Information Regarding Extending Help to Those Affected by Hurricane Sandy

The U.S. Department of the Treasury (Treasury) is deeply concerned for those affected by the devastating impact of Hurricane Sandy. As a result of the storm, Treasury has directed the Program Administrator for the Making Home Affordable (MHA) Program to remind servicers participating in the MHA Program of options available to homeowners affected by natural disasters in the wake of Hurricane Sandy and encourages servicers to use their best business judgment in granting relief to affected homeowners. Under existing MHA guidelines, set forth in the [Making Home Affordable Program Handbook for Servicers of Non-GSE Mortgages](#), participating servicers should offer a forbearance plan to a borrower who requests assistance as a result of a Federally Declared Disaster (FDD), and who meets the minimum criteria specified in existing MHA guidelines for a FDD forbearance plan.

Treasury intends to publish detailed MHA guidance in the coming days clarifying that any FDD forbearance plan should not impact the status of a homeowner's permanent HAMP modification. Similarly, homeowners currently in a trial period plan who receive a FDD forbearance plan will continue to be eligible for a permanent modification upon successful completion of the trial period plan, notwithstanding the FDD forbearance plan. Servicers may reference a list of Federally Declared Disasters on www.FEMA.gov.

Additionally, Treasury has directed the Program Administrator to encourage servicers to extend time periods under MHA during which servicers solicit borrowers, establish "Right Party Contact" or require delivery of documents from a borrower for any area that has been designated by FEMA as being covered by a FDD so borrowers in such areas are not disadvantaged due to issues that arise out of the FDD.

This servicer message supersedes the servicer communication dated November 2, 2012, entitled "Extending Help to Those Affected by Hurricane Sandy."

For questions regarding the guidelines please [email](#) or call the HAMP Solution Center at 1-866-939-4469.