

## Making Home Affordable (MHA) Compensation – Last Updated: October 29, 2015

1	Program	Payment Name	Frequency and Timing	Payee/Beneficiary	Amount	Accrual and Payment Notes
	Home Affordable Modification Program <sup>SM</sup> (HAMP <sup>®</sup> Tier 1, Tier 2 & Streamline HAMP)	Servicer Incentive Payment (paid for loans that successfully complete trial)	One time	Servicer/Servicer	<p><b>Non-GSE HAMP :</b></p> <p>Permanent HAMP modifications with a <i>Trial Period Plan Effective Date</i> &lt; 10/1/2011: \$1,000</p> <p>Based upon the number of days delinquent at <i>Trial Period Plan Effective Date</i>, compensate using the following scale:</p> <p><i>Trial Period Plan Effective Date</i> &gt;= 10/1/2011 and &lt; 3/1/2014</p> <ul style="list-style-type: none"> <li>• &lt;=120 days delinquent: \$1,600</li> <li>• 121 to 210 days delinquent: \$1,200</li> <li>• &gt;210 days delinquent: \$400</li> </ul> <p><i>Trial Period Plan Effective Date</i> &gt;= 3/1/2014 and &lt; 4/1/2015</p> <ul style="list-style-type: none"> <li>• &lt;=120 days delinquent: \$2,000</li> <li>• 121 to 210 days delinquent: \$1,600</li> <li>• &gt;210 days delinquent: \$800</li> </ul> <p><i>Trial Period Plan Effective Date</i> &gt;= 4/1/2015</p> <ul style="list-style-type: none"> <li>• &lt;=120 days delinquent: \$2,000</li> <li>• 121 to 210 days delinquent: \$1,600</li> <li>• &gt;210 days delinquent: \$1,200</li> </ul> <p><b>GSE-HAMP:</b></p> <p>Permanent GSE-HAMP first lien modifications with a <i>Trial Period Plan Effective Date</i> &lt; 10/1/2011 and <i>Modification Effective Date</i> &lt; 4/1/2014: \$1,000</p> <p>Based upon the number of days delinquent at trial inception, compensate using the following scale:</p> <p><i>Trial Period Plan Effective Date</i> &gt;= 10/1/2011 and <i>Modification Effective Date</i> &lt; 4/1/2014</p> <ul style="list-style-type: none"> <li>• &lt;=120 days delinquent: \$1,600</li> <li>• 121 to 210 days delinquent: \$1,200</li> <li>• &gt;210 days delinquent: \$400</li> </ul>	Paid in the first month of the official/permanent modification. Trial modification period must be successfully completed.

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				<p><i>Modification Effective Date</i> &gt;= 4/1/2014</p> <ul style="list-style-type: none"> <li>• &lt;=120 days delinquent: \$2,100</li> <li>• &gt;=121 days or more: \$1,700</li> <li>• &gt;210 days delinquent: \$900</li> </ul>		
2	HAMP Tier 1	Current Borrower One-Time Bonus Payment (Servicer) (paid for loans that successfully complete trial; loan must be current at the start of the trial period)	One time	Servicer/Servicer	<p>Permanent HAMP modifications with a <i>Trial Period Plan Effective Date</i> before 10/1/2011:</p> <p>\$500</p> <p>Permanent <b>GSE</b>-HAMP modifications with a <i>Trial Period Plan Effective Date</i> before 10/1/2011 and <i>Modification Effective Date</i> prior to 4/1/2014:</p> <p>\$500</p> <p>For Permanent HAMP modifications with a <i>Trial Period Plan Effective Date</i> on or after 10/1/2011 this payment is no longer applicable.</p>	Paid in the first month of the official/permanent modification. Trial modification period must be successfully completed.
3	HAMP Tier 1 & Tier 2	Current Borrower One-Time Bonus Payment (Investor) (paid for loans that successfully complete trial; loan must be current at the start of the trial period)	One time	Servicer/Investor (Non-GSE Only)	<p>Modification must reduce monthly housing expense by at least 6% and underlying property must be owner occupied to receive amount.</p> <p>\$1,500</p>	<p>Paid in the first month of the official/permanent modification. Trial modification period must be successfully completed.</p> <p>Any loan originally reported in the HAMP Reporting Tool as a GSE permanent modification and subsequently repurchased and re-boarded with a new non-GSE investor is not eligible for investor incentives</p>
4	HAMP Tier 1, Tier 2 & Streamline HAMP	Monthly Reduction Cost Share Payment	Monthly for first five years of the official/permanent modification	Servicer/Investor (Non-GSE Only)	<p>Tier 1:</p> <p>50% of the difference between the P&amp;I Payment at 38% DTI and the P&amp;I Payment at 31% DTI if the Front Ratio before modification is greater than or equal to 38%</p> <p>or</p> <p>50% of the difference between the P&amp;I Payment before modification and the P&amp;I Payment at 31% DTI if the Front Ratio before modification is less than 38%.</p> <p>Tier 2 and Streamline HAMP:</p> <p>The lesser of 50% of: a) the difference between the <i>Principal and Interest Payment Before Modification</i> and <i>Principal and Interest Payment After Modification</i> or b) 15% of the <i>Principal and Interest Payment Before Modification</i>.</p>	<p>Paid monthly beginning the month after the official/permanent modification effective date, if the first official monthly report (OMR) is received, and as long as the loan is in good standing and has not been paid off or withdrawn.</p> <p>Any loan originally reported in the HAMP Reporting Tool as a GSE permanent modification and subsequently repurchased and re-boarded with a new non-GSE investor is not eligible for investor incentives</p>

Program	Payment Name	Frequency and Timing	Payee/Beneficiary	Amount	Accrual and Payment Notes	
5	HAMP Tier 1, FHA-HAMP, and Rural Development – HAMP	Borrower Pay-for-Performance Payment	Annually for the first five years of the official/permanent modification	Servicer/Borrower	<p>Modification must reduce monthly housing expense by at least 6% to receive amount.</p> <p>If such reduction is achieved, the borrower accrues, on a monthly basis, the lower of \$83.33 or 50% of the difference between the <i>Monthly Housing Expense Before Modification</i> and <i>Monthly Housing Expense After Modification</i>.</p>	<p>Accrue for number of months in the trial modification period in month one of the official/permanent modification to account for the time in the trial period.</p> <p>Accrued monthly if the OMR is received and the last paid installment (LPI) date reported on the OMR is current.</p> <p>Paid as principal reduction annually in the month of the anniversary of the first trial period payment due date as long as the loan is in good standing and has not been paid off.</p>
6	HAMP Tier 1, HAMP Tier 2, Streamline HAMP, GSE-HAMP, Treasury FHA-HAMP, RD-HAMP	Year Six Borrower Pay-For-Performance Payment	One time	Servicer/Borrower	<p>Permanent GSE-HAMP and non-GSE HAMP Tier 1, HAMP Tier 2, Streamline HAMP, FHA-HAMP and RD-HAMP modifications in good standing on the sixth year anniversary of the 1st Trial Payment Due Date shall receive the Year Six Borrower Pay-For-Performance incentive.</p> <p>\$5,000</p>	<p>Paid as principal reduction in the sixth year anniversary month of the first trial period payment due date as long as the loan is in good standing and has not been paid off.</p> <p>For GSE loans, reporting acknowledging receipt of the Dodd-Frank Certification* within the required timeframe must be completed before payment can be issued.</p> <p>*The equivalent GSE version of this document is the Fannie Mae/Freddie Mac Form 720, Real Estate Fraud Certification Form.</p>
7	HAMP Tier 1, FHA-HAMP, and, Rural Development-HAMP	Servicer Pay-for-Success Payment	Annually for the first three years of the official/permanent modification	Servicer/Servicer	<p><b>For HAMP:</b></p> <p>HAMP modifications are eligible for the Servicer Pay for Success Payment incentive irrespective of Modification Effective Date.</p> <p>Modification must reduce monthly housing expense by at least 6% to receive amount.</p> <p>If such reduction is achieved, the servicer accrues, on a monthly basis, the lower of \$83.33 or 50% of the difference between the <i>Monthly Housing Expense Before Modification</i> and <i>Monthly Housing Expense After Modification</i>.</p> <p><b>For GSE-HAMP:</b></p> <p>GSE-HAMP modifications with a Modification Effective Date prior to 4/1/2014 are eligible for the Servicer Pay for Success Payment incentive.</p>	<p>Accrued for number of months in the trial modification period in month one of the official/permanent modification to account for the time in the trial period.</p> <p>Accrued monthly if the OMR is received.</p> <p>Paid annually in the month of the anniversary of first trial payment due date as long as the loan is in good standing and has not been paid off.</p>

Program	Payment Name	Frequency and Timing	Payee/Beneficiary	Amount	Accrual and Payment Notes
				<p>Modification must reduce monthly housing expense by at least 6% to receive amount.</p> <p>If such reduction is achieved, the servicer accrues, on a monthly basis, the lower of \$83.33 or 50% of the difference between the <i>Monthly Housing Expense Before Modification</i> and <i>Monthly Housing Expense After Modification</i>.</p>	
8	HAMP Tier 1, Tier 2 & Streamline HAMP	Investor Home Price Decline Protection (HPDP) Incentive Payment	Annually for the first two years of the official/permanent modification	<p>Servicer/Investor (Non-GSE Only)</p> <p>Modification must reduce monthly housing expense by at least 6% to receive amount.</p> <p><b>Formula:</b> HPDP Index Value * Unpaid Principal Balance Quintile Payment * MTM-LTV Weighting Factor</p> <p>Calculation performed as of NPV date and based on three loan components:</p> <ol style="list-style-type: none"> <li>1) the rate (%) of <i>Home Price Decline</i> derived by performing a lookup on the <i>Home Price Decline Table</i> (value derived from the NPV Date and the ZIP Code, updated quarterly (see the most current Base NPV Model Documentation Supplement [read-only Excel version])</li> <li>2) the quintile payment amount which will be determined by assigning the pre-modification UPB to one of five pre-determined categories (see Exhibit D of the <i>MHA Handbook</i>)</li> <li>3) the weighting factor derived by performing a lookup of the MTM-LTV ratio (UPB before modification/Property Value) against pre-assigned weighting values. (see Exhibit D of the <i>MHA Handbook</i>)</li> </ol> <p><b>Example:</b> If the trial loan has 1) a projected home price decline value derived from the <i>Home Price Index</i> table of 10, 2) a UPB which results in a quintile assignment of 2 and a quintile base value of \$300, 3) an MTM-LTV of 85% which results in a weighting factor of 2/3, the calculation would be as follows.</p> <p>HPDP incentive = 10 * 300 * 2/3 = \$2,000</p>	<p>Paid annually in the month of the anniversary of the first trial period payment due date.</p> <p>If a loan loses good standing or is paid off before the end of the two year period, the amount accrued when the loan was in good standing shall be paid out to the investor in the month in which it lost good standing or paid off.</p> <p>Any loan originally reported in the HAMP Reporting Tool as a GSE permanent modification and subsequently repurchased and re-boarded with a new non-GSE investor is not eligible for investor incentives</p>

Program	Payment Name	Frequency and Timing	Payee/Beneficiary	Amount	Accrual and Payment Notes
9 HAMP Tier 1, Tier 2 & Streamline HAMP	Principal Reduction Alternative <sup>SM</sup> (PRA <sup>SM</sup> ) Investor Incentive Payment	Annually for the first three years of the official/permanent modification.	Servicer/Investor (Non-GSE Only)	<p><i>For PRA Modifications with a Trial Period Plan effective date prior to 3/1/2012:</i> If the first lien is more than six months delinquent at any time during the 12 months prior to the NPV Date, compensate \$0.06 per dollar of the PRA Amount; otherwise the following tiered formula is applied:</p> <ol style="list-style-type: none"> <li>1) \$0.21 per dollar of the <i>Principal Reduction Forgiveness Amount</i> for MTMLTV less than 115% and greater than or equal to 105%</li> <li>2) \$0.15 per dollar of the <i>Principal Reduction Forgiveness Amount</i> for MTMLTV of 115% - 140%</li> <li>3) \$0.10 per dollar of the <i>Principal Reduction Forgiveness Amount</i> for MTMLTV greater than 140%</li> </ol> <p><i>For PRA Modifications with a Trial Period Plan effective date on or after 3/1/2012:</i> If the first lien is more than six months delinquent at any time during the 12 months prior to the NPV Date, compensate \$0.18 per dollar of the PRA Amount; otherwise the following tiered formula is applied:</p> <ol style="list-style-type: none"> <li>1) \$0.63 per dollar of the <i>Principal Reduction Forgiveness Amount</i> for MTMLTV less than 115% and greater than or equal to 105%</li> <li>2) \$0.45 per dollar of the <i>Principal Reduction Forgiveness Amount</i> for MTMLTV of 115% - 140%</li> <li>3) \$0.30 per dollar of the <i>Principal Reduction Forgiveness Amount</i> for MTMLTV greater than 140%</li> </ol> <p>PRA investor incentives will not be paid on the portion of any principal reduction that reduces the MTMLTV ratio below 105%</p>	<p>Paid annually in the month of the anniversary of the 1<sup>st</sup> Trial Payment Due Date for three years as long as the loan is good standing and has not been paid in full.</p> <p>If a loan is paid off more than 30 calendar days after the official/permanent modification effective date but before the third anniversary of the first trial period payment due date and the loan is in good standing, then any unpaid <i>Principal Reduction Investor Incentive Payment Amount</i> is paid to the investor in the month in which the payoff is reported on the OMR.</p> <p>Any loan originally reported in the HAMP Reporting Tool as a GSE permanent modification and subsequently repurchased and re-boarded with a new non-GSE investor is not eligible for investor incentives.</p>

Program	Payment Name	Frequency and Timing	Payee/Beneficiary	Amount	Accrual and Payment Notes	
10	Second Lien Modification Program <sup>SM</sup> (2MP <sup>SM</sup> )	Second Lien Servicer Incentive Payment	One Time	Second Lien Servicer /Second Lien Servicer	<p><b>For HAMP :</b></p> <p>Unpaid Principal Balance Before Modification or Extinguishment must be greater than or equal to \$5,000 and a Payment Before Modification or Extinguishment is greater than or equal to \$100 to receive amount.</p> <p>\$500</p> <p><b>For GSE-HAMP:</b></p> <p>Modification or Extinguishment Effective Date must be before 4/1/2014 and Unpaid Principal Balance Before Modification or Extinguishment must be greater than or equal to \$5,000 and a Payment Before Modification or Extinguishment is greater than or equal to \$100 to receive amount.</p> <p>\$500</p> <p>Modification or Extinguishment Effective Date must be on or after 4/1/2014 and Unpaid Principal Balance Before Modification or Extinguishment must be greater than or equal to \$5,000 and a Payment Before Modification or Extinguishment is greater than or equal to \$100 to receive amount.</p> <p>\$1,000</p>	Paid at time of successful second lien full extinguishment or when modification (with or without a partial extinguishment) becomes permanent.

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2MP	Second Lien Full Extinguishment Payment	One Time	Second Lien Servicer/Investor (Non-GSE Only)	<p><i>For second lien full extinguishments with a Modification or Extinguishment Effective Date prior to 6/1/2012:</i>            If second lien is more than six months delinquent at any time during the 12 months prior to the date of extinguishment, amount is \$0.06 per dollar; otherwise the following tiered formula is applied:</p> <ol style="list-style-type: none"> <li>1) \$0.21 per dollar of the <i>UPB Before Modification or Extinguishment</i> for a CLTV less than 115%</li> <li>2) \$0.15 per dollar of the <i>UPB Before Modification</i> for a CLTV between 115% - 140%</li> <li>3) \$0.10 per dollar of the <i>UPB Before Modification or Extinguishment</i> for a CLTV greater than 140%</li> </ol> <p><i>For second lien full extinguishments with a Modification or Extinguishment Effective Date on or after 6/1/2012:</i>            If second lien is more than six months delinquent at any time during the 12 months prior to the date of extinguishment, amount is \$0.12 per dollar; otherwise the following tiered formula is applied:</p> <ol style="list-style-type: none"> <li>1) \$0.42 per dollar of the <i>UPB Before Modification or Extinguishment</i> for a CLTV less than 115%</li> <li>2) \$0.30 per dollar of the <i>UPB Before Modification</i> for a CLTV between 115% - 140%</li> <li>3) \$0.20 per dollar of the <i>UPB Before Modification or Extinguishment</i> for a CLTV greater than 140%</li> </ol>	Paid at time of full extinguishment

Program	Payment Name	Frequency and Timing	Payee/Beneficiary	Amount	Accrual and Payment Notes	
12	2MP	Second Lien Partial Extinguishment Payment	One Time	Second Lien Servicer/Investor (Non-GSE Only)	<p><i>For second lien partial extinguishments with a Modification or Extinguishment Effective Date prior to 6/1/2012:</i> If second lien is more than six months delinquent at any time during the 12 months prior to the date of extinguishment, amount is \$0.06 per dollar; otherwise the following tiered formula is applied:</p> <ol style="list-style-type: none"> <li>1) \$0.21 per dollar of the <i>Principal Write-down (Forgiveness)</i> for a CLTV less than 115%</li> <li>2) \$0.15 per dollar of the <i>Principal Write-down (Forgiveness)</i> for a CLTV between 115% - 140%</li> <li>3) \$0.10 per dollar of the <i>Principal Write-down (Forgiveness)</i> for a CLTV greater than 140%</li> </ol> <p><i>For second lien partial extinguishments with a Modification or Extinguishment Effective Date on or after 6/1/2012:</i> If second lien is more than six months delinquent at any time during the 12 months prior to the date of extinguishment, amount is \$0.12 per dollar; otherwise the following tiered formula is applied:</p> <ol style="list-style-type: none"> <li>1) \$0.42 per dollar of the <i>Principal Write-down (Forgiveness)</i> for a CLTV less than 115%</li> <li>2) \$0.30 per dollar of the <i>Principal Write-down (Forgiveness)</i> for a CLTV between 115% - 140%</li> <li>3) \$0.20 per dollar of the <i>Principal Write-down (Forgiveness)</i> for a CLTV greater than 140%</li> </ol>	Paid at time of partial extinguishment
13	2MP	Second Lien Monthly Reduction Cost Share Payment	Monthly for the first five years of the official/permanent modification	Second Lien Servicer/Investor (Non-GSE Only)	<p>160 basis points times the <i>UPB Before Modification</i> (less any partial principal forgiveness, if applicable) of Second lien divided by 12</p> <p><b>Formula:</b>  <math>1.6\% * (UPB \text{ Before Modification or Extinguishment} - \text{Principal Write-down [Forgiveness]}) / 12</math></p>	Paid monthly beginning the month after official/permanent modification effective date if the 2MP official monthly report (ZOMR) is received and as long as neither the first lien nor the second lien have been paid in full, and good standing is maintained for the first lien modification <sup>1</sup> .
14	2MP	Second Lien Servicer Success Payment	Annually for the first three years of the official/permanent modification	Second Lien Servicer /Second Lien Servicer	<p><b>For Non-GSE:</b></p> <p>Non-GSE second lien modifications are eligible for the Servicer Pay for Success Payment incentive irrespective of the Modification or Extinguishment Effective Date.</p> <p>Modification must reduce monthly P&amp;I payment by at least 6% to receive amount.</p>	<p>Accrued monthly if the ZOMR is received</p> <p>Paid annually in the month of the anniversary of the second lien official/permanent modification effective date as long as neither the first lien nor the second lien have been paid in full, and good standing is</p>



Program	Payment Name	Frequency and Timing	Payee/Beneficiary	Amount	Accrual and Payment Notes	
				<p>\$250 each year for three years</p> <p><b>For GSE:</b></p> <p>Second lien modifications with a Modification or Extinguishment Effective Date prior to 4/1/2014 are eligible for the Servicer Pay for Success Payment incentive.</p> <p>Modification must reduce monthly P&amp;I payment by at least 6% to receive amount.</p> <p>\$250 each year for three years</p>	maintained for the first and second lien modification <sup>1</sup> .	
15	2MP	Second Lien Borrower Success Payment	Annually for the first five years of the official/permanent modification	Second Lien Servicer /Borrower	<p>Modification must reduce monthly P&amp;I payment by at least 6% to receive amount.</p> <p>Up to \$250 each year for five years</p>	<p>Accrued monthly if the 2OMR is received and the LPI date reported on the 2OMR is current.</p> <p>Paid for five years as principal reduction annually in the month of the anniversary of the second lien official/permanent modification effective date as long as neither the first lien nor the second lien have been paid in full, and good standing is maintained for the first and second lien modification<sup>1</sup>.</p>
16	Home Affordable Foreclosure Alternatives® (HAFA®) (Short Sale s/Deeds- In-Lieu [DIL])	HAFA Borrower Relocation Payment	One time	Servicer/Borrower	<p>For non-GSE: Property must be occupied (owner, legal dependent, parent or grandparent of owner or tenant) at the time the Short Sale or DIL agreement is executed.</p> <p>For Fannie Mae/Freddie Mac:<sup>2</sup> Property must be owner occupied</p> <p>Occupant(s) must vacate as a result of the HAFA Short Sale or Deed-in-Lieu.</p> <p>For a HAFA Short Sale/DIL that closes prior to 02/01/2015: \$3,000</p> <p>For a HAFA Short Sale/DIL that closes on or after 02/01/2015: \$10,000</p>	Paid in the month the Short Sale/DIL Loan Set Up transaction is received after the closing has occurred.

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17	Hafa	Hafa Servicer Incentive Payment	One time	Servicer/Servicer	For non-GSE: \$1,500  For Fannie Mae/Freddie Mac: <sup>2</sup> \$1,500 for DIL \$2,200 for Short Sales	Paid in the month the Short Sale/DIL Loan Set Up transaction is received after the closing has occurred.
18	Hafa	Hafa Investor Reimbursement (for Subordinate Mortgage Lien Releases)	One time	Servicer/Investor (Non-GSE Only)	For a Hafa Short Sale or DIL that closes prior to 12/1/2012: Investors receive up to \$2,000 calculated at \$1 for each \$3 paid to subordinate lien holders for release of borrower liability. The maximum paid to subordinate mortgage lien holders is limited to \$8,500. For a Hafa Short Sale or DIL that closes prior to 3/9/2012, the maximum paid to subordinate mortgage lien holders is limited to \$6,000.  For a Hafa Short Sale or DIL that closes on or after 12/1/2012 but before 2/1/2015: Investors receive up to \$5,000 calculated at \$2 for each \$3 paid to subordinate lien holders for release of borrower liability. The maximum paid to subordinate mortgage lien holders is limited to \$8,500.  For a Hafa Short Sale or DIL that closes on or after 2/1/2015: Investors receive up to \$8,000 calculated at \$2 for each \$3 paid to subordinate lien holders for release of borrower liability. Unless the servicer has elected to set a cap, there is no limit to the amount that may be paid to subordinate mortgage lien holders.	Reimbursement paid in the month the Short Sale/DIL Loan Set Up is received after the closing has occurred.

<sup>1</sup> Per MHA Handbook, Chapter V, Sections 11.1.2, 11.2, and 11.3.1

<sup>2</sup> The Fannie Mae and Freddie Mac Hafa Programs expired on 12/31/12. Consult GSE guidance for more information.