

HAMP Reporting Tool Release Notes

April 19, 2010

On **Monday, May 3, 2010**, Fannie Mae, as program administrator for the Home Affordable Modification Program (HAMP), plans to implement the following enhancements to the **HAMP Reporting Tool**:

- Updates to accommodate Home Affordable Foreclosure Alternatives (HAFA) reporting;
- Updates for the Home Price Decline Protection (HPDP) incentive;
- Updates affecting the HAMP official monthly reporting process;
- Updates to existing and new servicer reports;
- New edit for trial and permanent/official loan modifications; and
- Updates to existing edits.

The HAMP Data Dictionary and the HAMP Data Dictionary Appendix have been updated to reflect the edit changes in this release. A new version of HAFA Data Dictionary will also be available to support servicers participating in the Home Affordable Foreclosure Alternatives program as defined in *Supplemental Directive 09-09 Revised: Home Affordable Foreclosure Alternatives – Short Sale and Deed-in-Lieu of Foreclosure Update*.

Updates to Accommodate Home Affordable Foreclosure Alternatives (HAFA) Reporting

As mentioned in the May 3 HAMP Loan Reporting Release Preview, this release includes new functionality that will allow servicers to report loan-level data required under *Supplemental Directive 09-09 Revised: Home Affordable Foreclosure Alternatives – Short Sale and Deed-in-Lieu of Foreclosure Update*.

Servicers will have the ability to enter the required data directly into the HAMP Reporting Tool via several new screens within the user interface or by uploading data using new file formats available on HMPAdmin.com. Servicers will submit data for the following key milestones:

- Agreement Notification – the Short Sale Agreement (SSA) or a Deed-in-Lieu (DIL) agreement have been signed and executed.
- Short Sale / Deed-in-Lieu Setup – the transfer of the property ownership (closing of the short sale or acceptance of the Deed-in-lieu).
- Termination – when the SSA or DIL agreement expires or has been terminated by the servicer.

Important Reporting Requirements for HAFA

- Servicers will use their existing HAMP servicer numbers.

- HAFA Notification and Loan Setup records will be edited against a suite of business rules. Servicers will receive their response files, detailing failed edits and warnings, in the same format they currently receive HAMP response files. To obtain the response files:
 - Access the Reports tab in the HAMP Reporting Tool;
 - Click on “Files Received” to obtain the LPS Response file and the Fannie Mae Response file for all uploaded transaction files;
 - Click on “Web Data Submissions” to obtain the LPS Response file and Fannie Mae Response file for all loans entered through the user interface.
- In order to process a HAFA Notification, one of the following corresponding records (matched by HAMP Registration Number, HAMP Servicer Number and Servicer Loan Number) must exist in the HAMP system of record:
 - A corresponding Supplemental Directive 09-06 data submission “request” transaction with an acceptable ‘Trial Not Approved / Not Accepted Reason Code;’
 - A first lien trial period plan record with an acceptable ‘Trial Fallout Reason Code;’ or
 - A first lien official modification that has not been paid off.

NOTE: *The HAFA Data Dictionary provides the “Submission Status” edits that specify the acceptable reason codes.*

- Per *Supplemental Directive 09-09 Revised*, data transmissions must be reported no later than the fourth business day of the month following the event.
- Reporting information required under *Supplemental Directive 09-06: Home Affordable Modification Program – Data Collection and Reporting Requirements Guidance* must be provided by the servicer for all HAFA transactions.
- Applicable HAFA program incentives will be disbursed through the existing Automatic Clearing House (ACH) process. HAFA payments will be aggregated with other program funds for the same HAMP servicer and bank account combination already present in the HAMP system of record. Loan-level details of the incentive payments will be included on the Cash Payment Summary Report, available through the HAMP Reporting Tool.

HAFA Implications on First Lien Official/Permanent Modification Reporting

- A trial period plan cannot be submitted if a HAFA exists for the same loan.
- A first lien trial cannot become a permanent modification after a HAFA has been submitted against the same loan.
- A first lien permanent modification will be paid off automatically by the HAMP Administrator’s system when a HAFA Loan Setup transaction has been processed. Do not submit a Payoff official monthly report (OMR) after a short sale or deed-in-lieu closing.
- A HAFA request must be cancelled if a first lien permanent modification has been paid off for any reason not associated to the short-sale or deed-in-lieu.
- A HAFA Notification does not transfer to a new servicer if a servicing transfer occurs for the associated loan. The existing HAFA Notification must be cancelled and a new HAFA Notification must be sent after a new agreement has been signed with the new servicer.

Updates on Home Price Decline Protection (HPDP) Incentives

Supplemental Directive 09-04: Home Affordable Modification Program – Home Price Decline Protection Incentives announced additional incentives for investors of HAMP modifications of loans on properties located in areas where home prices have drastically declined and where investors are concerned that further price declines may persist. HPDP incentive payments are linked to the rate of recent home price decline in a local housing market, as well as the unpaid principal balance and mark-to-market loan-to-value ratio of the mortgage loan. Only non-GSE servicers are eligible for this program.

Effective with this release, functionality will exist to calculate and pay out these incentives. As a result, services should consider the following important HPDP reporting requirements:

- Servicers will use their existing HAMP servicer numbers.
- No additional reporting is required to participate in HPDP.
- Incentive payments will be made only with respect to HAMP modifications with trial period plan effective dates and initial NPV run dates on or after September 1, 2009.
- A one-time catch-up transaction for existing permanent modifications with an NPV Date of 9/1/2009 or after will occur to account for all qualified and eligible permanent loans. HPDP incentives will be paid out on the anniversary date.
- Applicable HPDP program incentives will be disbursed through the existing Automatic Clearing House (ACH) process. HPDP payments will be aggregated with other program funds for the same HAMP servicer and bank account combination already present in the HAMP system of record. Loan-level details of the incentive payments will be included on the Cash Payment Summary Report, available through the HAMP Reporting Tool.

Updates Affecting the HAMP Official Monthly Reporting Process

Effective with this release, HAMP servicers will have until two business days prior to the monthly close to clear edits and submit a final OMR. (Monthly close is the 17th calendar day or prior business day if the 17th is not a business day). Previously, servicers were required to clear edits on OMRs by the 17th calendar day. This change is in alignment with *Supplemental Directive 09-01: Introduction of the Home Affordable Modification Program*.

The updated 2010 HAMP Reporting Calendar, reflecting this change, is available on HMPAdmin.com.

Updates to Existing and New Servicer Reports

Several updates have been made to the two reports available to HAMP servicers via the HAMP Reporting Tool.

- The **Master Servicer Reconciliation File** will include additional data elements for the HPDP incentive payments, and any suspended payments due to borrower or servicer Office of Foreign Assets (OFAC) discovery, or fraud.
- The **Cash Payment Summary Report** will reflect loan-level incentive payments for the HAMP first lien, HAFA, and HPDP programs. New compensation types will allow servicers to identify the program for which the incentive payment was made. There will be one row per loan per program incentive.

A new HAFA Master Servicer Reconciliation Report will be available via the HAMP Reporting Tool. The report will:

- Contain servicer-provided HAFA data;
- Be provided in comma-delimited (.csv) format, and;
- Be accessible for 180 calendar days.

File format and field definitions for both the existing servicer reports and the new HAFA Master Servicer Reconciliation Report will be available on HMPadmin.com.

New Edits for Trial and Permanent/Official Loan Modifications

The following edit will be added to ensure the quality of the submitted loan set-up transaction data:

- **LIR-248** – Error: The NPV Date must be on or before the Submission Date for Trial loans and official Modifications and Corrections.

The NPV Date must not be greater than the Submission Date for Trial Loans. NPV Date for Official Modification loans must not be greater than the Submission Date at the time of permanent modification.

The following edits have been added to ensure the quality of the OMR records:

- **OMR-146** – Error: The OMR was not accepted because the associated HAMP loan was paid off due to the successful closing of an associated HAFA Short-sale or Deed-in-lieu.
- **OMR-147** – Error: The OMR was received after the current cycle close. Please resubmit for processing next reporting cycle.

Updates to Existing Edits

Several existing edits were updated to improve the reporting process for servicers.

- **LIR-144** –

Trial: Warning: The Maximum Interest Rate after Modification is not equal to the greater of PMMS Rate or Interest Rate after Modification.

Official: Error: The Maximum Interest Rate after Modification is not equal to the greater of PMMS Rate or Interest Rate after Modification.

Servicers that have Step Rate loans that mature prior to adjusting up to the PMMS Rate will now be able to convert their trial modifications to permanent modifications as this edit will not be enforced.

- **LIR-226** – Error: New Official loan or Official loan Corrections cannot be submitted in the same reporting month that the same Official loan was cancelled.

Prior to this release, the Investor Code for the submission of a new permanent modification or a correction to a permanent modification that is submitted in the same month that the permanent modification was cancelled must be submitted with the same Investor Code. Effective with this release, servicers may update a loan's Investor Code from Private to Portfolio, or vice versa. However, the servicer will still receive LIR-226 when changing the code from Fannie Mae or Freddie Mac.



Support

For more information or questions regarding the information in these release notes, please contact the HAMP Solution Center at 1-866-939-4469; to reach Lender Processing Services, Inc. (LPS), select option 1, and then select option 5. Or, contact your HAMP Servicer Integration Team Lead.

Related Links

HAMP [Data Dictionaries](#)

[HAFA Data Dictionary](#)

[Supplemental Directives Listing](#)

[May 3 HAMP Loan Reporting Release Preview](#)

[2010 HAMP Reporting Calendar](#)

[HAMP Loan Reporting Tools & Documents](#), including file formats (log in required)