

HAMP[®] Reporting System Servicer Release Notes

October 17, 2013

On November 25, 2013, the HAMP Reporting System, including the HAMP Reporting Tool will receive an update to support the following:

- [Supplemental Directive 13-03 \(SD 13-03\)](#): *Making Home Affordable[®] Program – Handbook for Servicers* as it pertains to post modification debt-to-income eligibility for Treasury FHA-HAMP
- [Supplemental Directive 13-04 \(SD 13-04\)](#): *Making Home Affordable[®] Program – MHA Program Extension and Enhancements*
- Updated edits to align with existing policy
- Hardest Hit Fund (HHF) reporting for GSE HAMP modifications
- GSE HAMP NPV Threshold changes
- Enhanced HAMP Reporting Tool Ad-hoc report capability

Post Modification Debt-to-Income Eligibility for Treasury FHA-HAMP

The maximum post modification debt-to-income ratio for FHA-HAMP has been increased to 40 percent from 31 percent. For the related permanent modification to be eligible for Treasury incentives, the First Trial Payment due date must be on or after November 16, 2012. Modifications with a 1st Trial Payment Due Date before November 16, 2012 must continue to have a Front Ratio After Modification of less than 32%.

As a result, the following edits will be retired:

- LIR-176 (Front End DTI After Modification must be less than 32%)
- LIR-221 (If Borrower Monthly Housing Expenses After Modification and Borrower Monthly Gross Income Amount is greater than 0, calculated Front End DTI After Modification must be less than 32%)

Four new edits are being introduced with this release:

- LIR-660 (If 1st Trial Payment Due Date (DD17) is before November 16, 2012, Front Ratio After Modification (DD76) must be less than 32%)
- LIR-661 (If 1st Trial Payment Due Date (DD17) is on or after November 16, 2012, Front Ratio After Modification (DD76) must be less than or equal to 40%)
- LIR-662 (If Monthly Housing Expense After Modification (DD112) and Monthly Gross Income (DD110) are greater than 0 and 1st Trial Payment Due Date (DD17) is on or after November 16, 2012, calculated Front Ratio After Modification (DD76) must be less than or equal to 40%)
- LIR-663 (If Monthly Housing Expense After Modification (DD112) and Monthly Gross Income (DD110) are greater than 0 and 1st Trial Payment Due Date (DD17) is before November 16, 2012, calculated Front Ratio After Modification (DD76) must be less than 32%)

MHA Program Extension and Enhancements

In accordance with the policy specified in [SD 13-04](#), the MHA program deadline has been extended to December 31, 2015. This applies to the HAMP Tier 1, Tier 2, UP, HAFA, 2MP, Treasury FHA-HAMP and RD-HAMP programs. To be successfully reported to the HAMP Reporting System, a transaction under each of these programs must be completed on or before September 30, 2016 (i.e., the HAMP, 2MP, FHA-HAMP, RD-HAMP or permanent modifications or extinguishments must have a modification or extinguishment effective date on or before September 30, 2016 or the HAFA short sale or deed-in-lieu of foreclosure must have a transaction closing date on or before September 30, 2016).

MHA Edit Changes

The program extension as specified in [SD 13-04](#) only pertains to non-GSE mortgages. The HAFA program for GSEs has not been extended. Therefore the HAFA program extension date edits will be updated to only apply to non-GSE modifications by including an Investor Code clause. This will result in an update to HAFLIR-211 (Transaction Closing Date (DD216), if Investor Code (DD9) is 1 (Fannie Mae) or 2 (Freddie Mac), must be on or before 9/30/2014, if provided) and the introduction of a new edit, HAFLIR-228 (Transaction Closing Date (DD216), if Investor Code (DD9) is 3 (Private) or 4 (Portfolio), must be on or before 9/30/2016, if provided) for Non-GSE modifications.

Since Freddie Mac has confirmed that they did not implement nor will they be participating in a 2MP program for MHA, 2LIR-29 will be updated to allow for an Investor code of Fannie Mae, Private or Portfolio only. The new edit text will reflect the following: 2LIR-29 (Investor code is mandatory and must be 1 (Fannie Mae), 3 (Private) or 4 (Portfolio). Additionally, the edits for 2PEXLIR-27 and 2EXTLIR-29 will be updated to allow for Private or Portfolio only. These edits will be updated as follows: (Investor code is mandatory and must be 3 (Private) or 4 (Portfolio).

There are a number of edits that are no longer applicable and therefore will be retired. They are as follows:

2MP Official Set-up

- 2LIR-35 (If Investor Code is Freddie Mac, then Second Lien GSE Loan Number must be (9 digits and numeric) or (12 digits and numeric))
- 2LIR-182 (The Second Lien GSE Loan Number (DD467) on a 2MP loan setup submission with an Investor Code (DD9) of (2) Freddie Mac should not be found when compared to the most recent 2MP loan records that are not cancelled for the same Investor Code (DD9) of (2) Freddie Mac unless it is matched to the same loan as the submission)

2MP Partial Extinguishment

- 2PELXIR-31 (If the Investor Code is Fannie Mae or Freddie Mac, then Second Lien GSE Loan Number is mandatory)
- 2PELXIR-33 (If Investor Code is Freddie Mac, then Second Lien GSE Loan Number must be (9 digits and numeric) or (12 digits and numeric))
- 2PELXIR-34 (If the Investor Code is Fannie Mae or Freddie Mac, then the Second Lien GSE Servicer Number is mandatory)
- 2PEXLIR-167 (The Second Lien GSE Loan Number (DD467) on a 2MP loan setup submission with an Investor Code (DD9) of (2) Freddie Mac should not be found when compared to the most recent 2MP loan records that are not cancelled for the same Investor Code (DD9) of (2) Freddie Mac unless it is matched to the same loan as the submission)

2MP Full Extinguishment

- 2EXTLIR-33 (If the Investor Code is Fannie Mae or Freddie Mac, then Second Lien GSE Loan Number is mandatory)
- 2EXTLIR-35 (If Investor Code is Freddie Mac, then Second Lien GSE Loan Number must be (9 digits and numeric) or (12 digits and numeric))
- 2EXTLIR-36 (If the Investor Code is Fannie Mae or Freddie Mac, then the Second Lien GSE Servicer Number is mandatory)
- 2EXTLIR-142 (If the Investor Code is Fannie Mae, the Second Lien GSE Loan Number must be 10 digits and numeric)
- 2EXTLIR-162 (The Second Lien GSE Loan Number (DD467) on a 2MP loan setup submission with an Investor Code (DD9) of (2) Freddie Mac should not be found when compared to the most recent

2MP loan records that are not cancelled for the same Investor Code (DD9) of (2) Freddie Mac unless it is matched to the same loan as the submission)

HAFa and Additional Data Requirements (ADR)

In an effort to align with policy and to allow for the successful reporting of valid business scenarios, several HAFa and ADR edits are being modified.

The following HAFa edits are being retired:

- HAFLIR-71 (Property List Price (DD147) must be provided if Program Type/Campaign ID (DD10) is HMP5 (Short Sale with Relocation Compensation) or HMP25 (Short Sale without Relocation Compensation))
- HAFLIR-81 (Minimum Net Return to Investor Amount must be less than or equal to the Property List Price)
- HAFLIR-218 (Front Ratio Before Modification (DD77) must be greater than or equal to 1% if Investor Code (DD9) is 3 (Private) or 4 (Portfolio), if provided)

The following ADR Edits are being changed from hard stops to warnings:

- ADE-400 (If NPV Model Type Code (DD122) is 2, NPV Model Result Post-mod (DD120) must be less than or equal to P&I Payment After Modification (DD132) * Amortization Term After Modification (DD24) + Principal Forbearance Amount (DD136))
- ADE-510 (If NPV Model Type Code (DD122) is 2 and Occupancy Eligibility Type Code (DD957) is 1 or 5 and Post-Arrearage MTMLTV Percent (DD701) is greater than 115% and Investor Code (DD9) is 3 or 4 and NPV Date (DD119) is on or after 10/01/2010, Principal Reduction Alternative (PRA) NPV Model Result Amount Post-Mod (DD570) must be less than or equal to [(PRA P&I Payment After Modification (DD564) * PRA Amortization Term After Modification (DD562)] + PRA Principal Forbearance Amount (DD565))
- ADE-593 (If NPV Model Type Code (DD122) is 2, Estimated Default Rate (DD70) must be greater than Re-Default Rate (DD163))
- ADE-316 (If NPV Model Type Code (DD122) is 2 and Occupancy Eligibility Type Code (DD957) is 1 or 5, Amortization Term After Modification (DD24) must be provided and must be greater than or equal to 1 and must be numeric)
- ADE-332 (If NPV Model Type Code (DD122) is 2 and Occupancy Eligibility Type Code (DD957) is 1 or 5, NPV Model Result Amount Post-mod (DD120) must be provided)
- ADE-442 (Property Zip Code cannot be populated with zeros in the first four digits)
- ADE-508 (If NPV Model Type Code is 2 and Occupancy Eligibility Type Code (DD957) is 1 or 5 and Post-Arrearage MTMLTV Percent (DD701) is greater than 115% and NPV Date (DD119) is on or after 10/01/2010 and Investor Code (DD9) is 3 or 4, Principal Reduction Alternative (PRA) NPV Model Result Amount Post-Mod (DD570) must not be equal to NPV Model Result Amount Post-Mod (DD120))

Servicers are encouraged to reference the Data Dictionaries on HMPAdmin.com for the full list of attributes, definitions, and associated edits. The affected Data Dictionaries are HAMP, 2MP, HAFa, ADR, FHA-HAMP and RD-HAMP.

Hardest Hit Fund (HHF) Reporting for GSE HAMP Modifications

This release will enable servicers to use a Supplementary Assistance Code to indicate whether GSE HAMP modifications received assistance from a HHF program. As a result, the following edits will be retired:

- LIR-319 (Investor Code (DD9) must be Portfolio (4) or Private (3), if Supplementary Assistance Code (DD678) is, Hardest Hit Fund (2))

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- HAFLIR-194 (Investor Code must be Portfolio (4) or Private (3), if Supplementary Assistance Code is Hardest Hit Fund (2))

GSE HAMP NPV Threshold changes

This release includes an update to the NPV threshold as it pertains to GSE HAMP evaluations. The NPV threshold for GSE evaluations will be changed from negative \$5K to \$0.

Enhanced HAMP Reporting Tool Ad-hoc Report Capability

Updates to the HAMP Reporting Tool for ad-hoc reporting will be made to provide servicers with faster access to a broader variety of reports. In addition, high-priority ad-hoc reports can be displayed on the main reports tab for easier access and a longer retention period. Currently, all ad-hoc reports are displayed on the ad-hoc reports tab.

Support

For more information or questions regarding these release notes, 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. You may also contact your HAMP Servicer Integration Team (SIT) Lead.
