

HAMP® Reporting System Servicer Release Preview

August 29, 2013

The Home Affordable Modification Program® (HAMP) Reporting System Servicer Release Preview provides an overview of the planned enhancements to the HAMP Reporting System, including the HAMP Reporting Tool. This release is scheduled for implementation on November 25, 2013. Additional information about the release, including detailed release notes, will be made available prior to the release.

This release will include functionality to support the following:

- [Supplemental Directive 13-03 \(SD 13-03\)](#): *Making Home Affordable® Program – Handbook for Servicers Version 4.2* as it pertains to post modification debt-to-income eligibility for Treasury FHA-HAMP.
- Enhanced HAMP Reporting Tool Ad-hoc report capability.
- Hardest Hit Fund (HHF) reporting for GSE HAMP modifications.
- [Supplemental Directive 13-04 \(SD 13-04\)](#): *Making Home Affordable® Program – MHA Program Extension and Enhancements* as it pertains to extending the deadline of the MHA Program to the end of 2015 for the HAMP, Home Affordable Unemployment Program (UP), Home Affordable Foreclosure Alternatives® (HAFA) Program, Second Lien Modification ProgramSM (2MP), and the Treasury FHA-HAMP and RD-HAMP programs. The guidance in SD 13-04 does not apply to mortgage loans that are owned or guaranteed by Fannie Mae or Freddie Mac, insured or guaranteed by the Veterans Administration or, except as specifically noted in the SD, insured or guaranteed by the Department of Agriculture's Rural Housing Service (RHS) or the Federal Housing Administration (FHA).
- Retirement of a subset of HAFA edits to align with updates to existing policy.

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, any FHA-HAMP trial period plan with a First Trial Payment due date on or after November 16, 2012, must have the modified monthly mortgage payment ratio fall within the target monthly mortgage payment ratio required by FHA for FHA-HAMP, subject to the new maximum post modification debt-to-income ratio of 40 percent.

As a result, the following edits will no longer apply to FHA-HAMP:

- 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%).

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.

Hardest Hit Fund (HHF) Reporting for GSE HAMP Modifications

This release will permit the reporting of HHF for GSE-HAMP modifications. 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))
- HAFLIR-194 (Investor Code' must be 'Portfolio (4)' or 'Private (3)', if 'Supplementary Assistance Code' is (2)-Hardest Hit Fund).

MHA Program Extension

In accordance with the policy specified in [SD 13-04](#), the MHA program has been extended to December 31, 2015. This applies to the HAMP Tier 1 and Tier 2 as well as UP, HAFA, 2MP, 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 (e.g., the HAMP, 2MP, FHA-HAMP and RD-HAMP or permanent modification 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).

HAFA Edits

In an effort to align with policy and to allow for the successful reporting of several valid business scenarios, 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).

Support

For more information or questions regarding this release preview, 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.