

HAMP Reporting Update

December 2, 2011

HAMP Reporting Tool Servicer Release Preview

The following Home Affordable Modification Program (HAMP) Reporting Tool Release Preview provides a high-level overview of the planned enhancements to the HAMP Reporting Tool. This release is scheduled for implementation on Monday, January 30, 2012. Additional information about the release, including detailed release notes, will be made available prior to the release.

This release will include functionality to support:

1. Servicer Compensation Changes

[Supplemental Directive \(SD\) 11-06: Making Home Affordable Program – Updates to Servicer Incentives](#) provided changes to servicer compensation for permanent modifications under HAMP. The change is applicable to all permanent HAMP modifications with a trial period plan effective date on or after October 1, 2011 and is based on the number of days delinquent the mortgage loan was as of the effective date of the trial period plan. The details of the structure for servicer modification incentives can be found in the [MHA Compensation Matrix](#) on HMPadmin.com and in [SD 11-06](#).


The updated payment process will be implemented with this release. The Program Administrator will make a one-time adjustment payment to servicers to 'true-up' the modification servicer incentive payment for modifications with trial period plan effective dates on or after October 1, 2011.

The compensation changes apply only to those HAMP modifications with a program type code of HMP1, HMP2 and HMP7. Treasury FHA-HAMP, RD-HAMP, HAFA and 2MP programs are excluded.

2. Second Lien Program Updates

The system will be updated to support clarifications made in [Supplemental Directive 11-02: Making Home Affordable – Administrative Clarifications](#). This will allow for 2MP incentives to be paid under three different scenarios:

- **Scenario 1** - The HAMP Reporting System will allow servicers to report 2MP full extinguishments and servicers will receive applicable incentives regardless of the current associated HAMP loan status, provided the applicable HAMP loan was in the system. Although the HAMP Reporting System will disburse these incentives, such payments may be recovered if servicers and investors are not entitled to this incentive compensation under the policy, the details of which can be found in [SD 11-02](#).
- **Scenario 2** - The HAMP Reporting System will allow servicers to report 2MP official or partial extinguishment loan setups after the associated HAMP loan either lost good standing or was paid off, as long as the 2MP modification effective or extinguishment date is *before* the HAMP loss of good standing or paid off date.
- **Scenario 3** - One-time incentive payment already disbursed to servicers for 2MP official modifications, partial and full extinguishments will NOT be recovered if the associated HAMP loan is paid off or



disqualified prior to the 2MP modification effective or extinguishment date. This applies when the associated HAMP pay off or disqualification is reported late.

New edits will be added and existing edits for 2MP official modification, partial and full extinguishment and 2OMR processing will be updated.

3. Updated Data Quality Edits

As part of the ongoing effort to enforce data quality, updates to existing rules will be implemented with this release. The following data dictionaries have been updated:

- HAFA Data Dictionary
- 2MP Data Dictionary

Servicers are encouraged to review the referenced program-related data dictionary on HMPAdmin.com. Refer to the **Current Change Log** tab in each document for updates and changes resulting from this release.

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.