

HAMP Loan Reporting Tool Release Preview

September 30, 2010

The following Home Affordable Modification Program (HAMP) Reporting Tool Release Preview provides a high-level overview of a planned enhancement to the HAMP Reporting Tool. This release is scheduled for implementation on Monday, November 22, 2010. Additional information about the release, including detailed release notes, will be made available prior to the release.

NOTE: References to documents residing on HMPAdmin.com are included in this document. When embedded links to secure documents cannot be included due to log in requirements, information on the document location is provided.

Release Highlights

This release will include functionality to support:

- the Home Affordable Unemployment Program (UP), as outlined in the MHA Handbook;
- Modification of Loans with Principal Reduction Alternative (PRA), Supplemental Directive (SD)10-05;
- Making Home Affordable – Interactions with HFA Hardest-Hit Fund Programs (HHF), SD 10-07;
- federally declared disaster (FDD) guidance (pending the release of policy guidance);
- new data quality edits; and
- survey reporting.

To support the reporting requirements of the programs impacted by this release, schema changes will be required for those using .xml or delimited file formats. New schemas will be available on HMPAdmin.com for review prior to the release.

The scope and functionality planned for the November 22, 2010 release is subject to change. Servicers will be notified of any changes.

UP Functionality

UP is a supplemental program to HAMP that provides assistance to qualified unemployed borrowers by granting a forbearance period which reduces or suspends their monthly mortgage payments.

With this release, several new data attributes and/or enumerations will be added to existing program-related transactions to accommodate the required reporting under UP. Those additions include:

1st Lien Trial and Official Loan Setup Transactions

- Forbearance Plan Type Code
- Unemployment Monthly Forbearance Amount
- Unemployment Plan Forbearance Duration
- Unemployment Plan Forbearance Initiation Month

Additional Data Requirements Transactions (New Enumerations for Existing Data Attributes)

- Trial Fallout Reason Code: 19 – Unemployment Forbearance Plan
- Trial Not Approved/Not Accepted Reason Code: 15 – Unemployment Forbearance Plan

Loan-level reporting is required for UP modifications only when:

- a borrower exits from a HAMP trial to UP; and/or
- a borrower transitions from UP to a HAMP trial.

A borrower that has not completed a HAMP trial period can enter UP but must be reported as Cancelled. Servicers process a cancellation by submitting an additional data requirements transaction with a Trial Fallout Reason Code equal to 19 – Unemployment Forbearance Plan.

A mortgage not approved for a trial modification, and for which an UP forbearance plan is not completed, should be reported on an additional data requirements transaction with a Trial Not Approved/Not Accepted Reason equal to 15 – Unemployment Forbearance Plan.

The HAMP Data Dictionary and the HAMP Additional Data Requirements Data Dictionary detail all of the new data attributes and updates to existing data attributes. The data dictionaries will also allow servicers to review new and updated business edits applicable to UP.

The HAMP Reporting Tool (login required) will facilitate the reporting of these new data attributes and/or enumerations through file upload and updated user interface (UI) forms.

PRA Functionality

As stated in *SD 10-05: Home Affordable Modification Program – Modification of Loans with Principal Reduction Alternative*, servicers have been given additional flexibility to offer relief to borrowers whose homes are worth significantly less than the remaining amounts owed under their first lien mortgage loans (known as “negative equity”). Servicers are required to evaluate the benefit of principal reduction for every HAMP-eligible loan with high negative equity. Additionally, servicers are encouraged to offer principal reduction whenever the net present value (NPV) result of a HAMP modification using PRA is greater than the NPV result without considering principal reduction. As announced on September 15, 2010, the new base NPV model v4.0 spreadsheet tool (effective October 1) will introduce an alternative modification waterfall to perform this evaluation and financial incentives for principal reduction.

Servicers that offer loan modifications with PRA are required to report the transaction using the HAMP Reporting Tool. Servicers should include loan modifications that were offered with PRA during the interim period (effective June 3 through the November 22 release) in this reporting. Servicers should be aware that updating the trial or permanent modification with the PRA attributes records the PRA and creates the applicable incentives.

With the November 22 release, several new data attributes will be added to existing program-related transactions to accommodate the required reporting under the PRA. Those additions include:

1st Lien Trial and Official Loan Setup Transactions

- Amount Capitalized
- Principal Reduction Alternative (PRA) Code
- Principal Reduction Alternative Amount
- Restriction for Alternative Waterfall Type Code
- Principal Reduction Alternative NPV Model Amount Post-Mod
- Principal Reduction Alternative NPV Model Amount Pre-Mod

Additional Data Reporting Requirement Transactions

- Principal Reduction Alternative Amount
- Principal Reduction Alternative (PRA) Amortization Term After Modification
- Principal Reduction Alternative (PRA) Interest Rate After Modification
- Principal Reduction Alternative (PRA) Principal and Interest Payment After Modification
- Principal Reduction Alternative (PRA) Principal Forbearance Amount
- Principal Reduction Alternative (PRA) Principal Write-down (Forgiveness)
- Principal Reduction Alternative (PRA) Unpaid Principal Balance After Modification
- Maximum Months Past Due in Past 12 Months
- Principal Reduction Alternative (PRA) NPV Model Result Amount Post-mod
- Principal Reduction Alternative (PRA) NPV Model Result Amount Pre-mod
- Principal Reduction Alternative (PRA) NPV Test Result
- Advances/Escrow Amount

The HAMP Data Dictionary and the HAMP Additional Data Requirements Data Dictionary detail all of the new data attributes and updates to existing data attributes. The data dictionaries also allow servicers to review new and updated business edits applicable to the PRA program.

The HAMP Reporting Tool facilitates the reporting of these new data attributes through file upload and updated user interface (UI) forms.

Functionality to Support the Housing Finance Agency Innovation Fund for the Hardest-Hit Housing Markets (HFA Hardest-Hit Fund)

The HFA Hardest-Hit Fund currently includes Arizona, California, Florida, Michigan, Nevada, North Carolina, Ohio, Oregon, Rhode Island and South Carolina. In these states, Housing Finance Agencies (HFAs) will use innovative programs to prevent foreclosures and stabilize housing markets.

Pursuant to *SD 10-07 – Interactions with HFA Hardest-Hit Fund Programs*, HAMP participating servicers are encouraged to work with the HFAs to implement their programs for borrowers in states offering HHF programs.

HAMP servicers will be required to report to the HAMP Reporting Tool, information relating to a mortgage loan that participates in an HHF program that is also receiving assistance from an MHA program.

To facilitate the required reporting, a new data attribute has been added to the First Lien Trial and Official Loan Setup transaction as well as the HAFA Notification and Loan Setup transactions. This includes changes to both the file formats, available soon on HMPAdmin.com, as well as to the HAMP Reporting Tool UI. That new data attribute is:

- ***Supplementary Assistance Code***

The HAMP Data Dictionary, the Treasury FHA-HAMP Data Dictionary and the HAFA Data Dictionary detail the new data attribute and will allow servicers to review new and updated business edits applicable to the HHF program.

FDD Guidance Functionality

NOTE: The FDD functionality detailed in this preview is reserved for future use pending the release of policy guidance.

The FDD guidance grants borrowers affected by a federally-declared disaster a forbearance plan during which regular monthly mortgage payments are suspended. Borrowers will be evaluated for HAMP 30 days prior to the expiration of the FDD forbearance plan.

With this release, a new data attribute and/or enumerations will be added to existing program-related transactions to accommodate the required reporting under the FDD guidance. Those additions include:

1st Lien Trial and Official Loan Setup Transactions

- Forbearance Plan Type Code

Additional Data Requirements (ADR) Transactions (New Enumerations for Existing Data Attributes)

- Trial Fallout Reason Code: 20 – Federally Declared Disaster
- Trial Not Approved / Not Accepted Reason Code: 16 – Federally Declared Disaster


A mortgage that has been approved for a HAMP trial modification and has not yet completed the trial period can enter into an FDD forbearance plan; however, the existing trial HAMP modification must be cancelled by submitting an ADR transaction with the Trial Fallout Reason Code equal to 20 – Federally Declared Disaster.

A mortgage not approved for a trial modification and for which an FDD forbearance plan is not completed will require an ADR transaction with the Trial Not Approved/Not Accepted Reason Code equal to 16 – Federally Declared Disaster.

The HAMP Reporting Tool (login required) will facilitate the reporting of this new data attribute and enumerations through file upload and updated UI forms.

New Data Quality Edits

New data quality edits will be introduced to provide reasonableness checks on key attributes and borrower information. Minimum and maximum value checks will also be added to data attributes relating to NPV data for



the additional data requirements. Servicers should download and review all program-related data dictionaries, which have been updated in preparation for this release.

New Survey Reporting Functionality

Currently, Fannie Mae, as program administrator, conducts monthly surveys with servicers to collect summary-level data via e-mail. Upon implementation of this release, surveys applicable to UP and FDD will be delivered to servicers via HMPadmin.com. Servicers will download the survey, fill in the appropriate responses using the provided form. Servicers will then upload their survey results to the HAMP Reporting Tool via a new UI screen. Detailed instructions will be distributed closer to implementation. Survey file collection will begin on December 15, 2010.

Support

For more information or questions regarding the information in this release preview, 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 (SIT) Lead.

Related Links

[MHA Handbook](#)

[HAMP Data Dictionary](#)

[Treasury-FHA HAMP Data Dictionary](#)

[HAFA Data Dictionary](#)

[HAMP Additional Data Requirements Data Dictionary](#)

[HAMP Reporting Tool](#) (login required)

[Base NPV Model: Tools & Documents](#) (login required)