

Supplemental Directive 11-05

June 1, 2011

Making Home Affordable Program – Handbook for Servicers Version 3.2

In February 2009, the Obama Administration introduced the Making Home Affordable (MHA) Program, a plan to stabilize the housing market and help struggling homeowners get relief and avoid foreclosure. In March 2009, the Treasury Department (Treasury) issued uniform guidance for loan modifications by participants in MHA across the mortgage industry and subsequently updated and expanded that guidance in a series of Supplemental Directives, frequently asked questions (FAQs) and waivers.

In this Supplemental Directive, Treasury is issuing Version 3.2 of the *Making Home Affordable Program Handbook for Servicers of Non-GSE Mortgages (Handbook)*, a consolidated resource for guidance related to the MHA Program for mortgage loans that are not owned or guaranteed by Fannie Mae or Freddie Mac (Non-GSE Mortgages). Servicers of mortgage loans that are owned or guaranteed by Fannie Mae or Freddie Mac should refer to any relevant guidance issued by the applicable GSE. In addition to the applicable guidance in the *Handbook*, servicers of mortgage loans insured or guaranteed by a federal agency, such as the Federal Housing Administration or Rural Housing Service, should refer to any relevant guidance issued by the applicable agency.

In general, Version 3.2 of the *Handbook* includes revisions to existing sections of Version 3.1 of the *Handbook* that were issued in Supplemental Directives the effective dates of which were after the publication of Version 3.1 of the *Handbook*.

Version 3.2 of the *Handbook* incorporates and supersedes in their entirety those portions of Supplemental Directive 11-02 that were effective as of June 1, 2011 and were not incorporated previously into Version 3.1 of the *Handbook*. If a servicer identifies a discrepancy between the *Handbook* and a previously issued Supplemental Directive, FAQ or waiver, the servicer should rely on the guidance in the *Handbook*.

Finally, Version 3.2 of the *Handbook* also includes some clean-up revisions to the following existing sections of Version 3.1 of the *Handbook* which are deemed to have been issued in other Supplemental Directives or FAQs:

- Exhibit A – Model Clauses for Borrower Notices
 - Court/Public Official Decline (formerly Bankruptcy Court Declined)
 - NPV Input Data Fields and Values (“Homeowners Association Dues/Fees”).

The *Handbook* will be updated periodically with new policy or procedural changes as they are announced. To the extent that any Supplemental Directive, FAQ or waiver has not been incorporated into and superseded by the *Handbook*, it continues to apply, and any references in such documents to guidance that has been incorporated into the *Handbook* are deemed to refer to the applicable Chapter and Section of the *Handbook* containing such guidance.

The *Handbook* is available on www.HMPAdmin.com.