

HAMP Reporting (Tier 2) Frequently Asked Questions

Q1. If we determine the borrower does not meet the basic eligibility for HAMP after beginning an evaluation (5-units, condemned, etc), do we only have to deny for Tier 1, or would we deny for both Tier 1 and Tier 2?

The servicer needs to provide NANA reason codes for denying both Tier 1 (DD987) and Tier 2 (DD218). For basic eligibility scenarios, the reason codes should match for both Tiers.

Q2. If a Tier 1 Official Modification loses good standing, is there a delay in the ability to report a Tier 2 modification?

Assuming the borrower is eligible to receive a Tier 2 modification, yes there is a delay in the ability to report the Tier 2. The servicer cannot report a Tier 2 Official loan set-up in the same month that a Tier 1 Official Cancellation or payment transaction that indicates loss of good standing is reported to the system.

Q3. If re-evaluations determine that borrower should have received a Tier 1, what reason code should the servicer report to cancel the Tier 2?

If the borrower is in a Tier 2 Trial and a re-evaluation determines that the borrower should have received a Tier 1, the Tier 2 Trial should be cancelled with reason code 8 – Offer not accepted/withdrawn by borrower.

Q4. What is the correct Reason Code for Trial NANA when the number of modifications permitted by the program policy has been reached?

Please use Code 10 - Property and/or Borrower exceeds allowable number of HAMP Mods.

Q5. Regarding Additional Data Requirements Reporting: What data can be submitted between 6/1/12 and 9/1/12?

Servicers must not report HAMP Additional Data Requirements (SD 09-06) data for any loan evaluated on or after June 1, 2012 until on or after September 4, 2012, when the new schema for ADR will be implemented.

Q6. Please clarify NPV Date in DD 119. Should the NPV Date be kept constant?

The NPV Date is the date of the initial NPV Run that resulted in determination of the borrower's eligibility. (See DD119) Yes, the NPV Date should be constant for the life of the evaluation. However, in scenarios

where you deny the borrower and then reevaluate the borrower, the NPV Date would change to the date of reevaluation.

Q7. Can ADR data be corrected and/or resubmitted after a HAFA is submitted for the same loan?

Servicers can update ADR records to correct data within the eligible reason codes, however, an ADR record must already exist prior to a HAFA submission.

Q8. Please clarify the purpose/definition of the Waiver Cancellations denial reason.

This reason code is only to be used when the servicer has submitted a Waiver Request and has received formal approval to cancel the trial.

Q9. When evaluating a borrower for a Tier 1 or Tier 2 HAMP using the new NPV Model 5.0, we receive results for both Tiers. If the borrower qualifies for Tier 1 and we proceed with a Tier 1 HAMP, would we also have to submit the Tier 2 NPV Results (submit an ADR Record)?

Yes. If evaluating using a servicer hosted NPV model, the servicer needs to report Tier 2 results for any loan that is evaluated and receives a Tier 2 result in the NPV schedule for the ADR transaction.

Steps:

- Report Trial Setup for Tier 1 HAMP with Tier 1 NPV Results
- Report ADR record with Tier 1 and Tier 2 NPV inputs and outputs (within 30 days)
- Report Official Mod Setup for Tier 1 with Tier 1 NPV Results
- Report subsequent ADR transactions to correct and/or add data as needed

Q10. Does the servicer have to report an ADR record after the HAMP goes official?

No, another ADR record is not necessary if an ADR record already exists. The servicer should not re-run NPV at this point. If a servicer needs GMI data, use the allowable value for NPV Model Type Code 5 - Base NPV Model - Servicer Hosted and NPV previously reported. There is no need to re-report NPV data. Record should reflect logical timing on reporting Trial loan set-up, then ADR, then Official Loan set-up.

Q11. Will reinstated 2MPs show up on the Missing OMR Report in the month they are reinstated?

Upon the successful reporting of the Tier 2 Official, the 2MP loan status will change to Active Payment a 2OMR will show up on the 2MP Missing OMRs list.

Q12. Regarding ADR Reporting: Please provide Hierarchy for reporting NANA Codes and Trial Fallout Reason Codes.

Please refer to the existing copy located on HMPAdmin.com which has been updated to include Tier 2 codes.

Q13. Please provide clarity around NPV Model Type Codes 4, 5, and 6.

Code 4 - NPV Not Required - This code is not available for Servicer use.

Code 5 - Base NPV Model-Servicer Hosted and NPV Previously Reported – This code can be used when the Servicer has already submitted the NPV data for the current modification and now needs to update a different schedule. For example: a Tier 2 Trial loan setup was submitted and the servicer reports ADR with GMI and NPV data. Subsequently the servicer can cancel the Trial by providing only Schedule 1 and Schedule 4 data and utilizing NPV Model Type Code = 5 to skip Schedule III, but retain the original data reported.

Code 6 - NPV Data Not Available (Evidence Required in Loan File) - This code may only be used to temporarily cancel a Trial. If a servicer uses this code they will be out of compliance until the NPV data is provided. NPV data is still required and should be reported once the data is available. Example scenario: Servicers have aged trials that they are unable to cancel because they are unable to report NPV data.

Q14. Are the terms “ADE”, “ADR”, and “SD09-06” used interchangeably throughout HAMP documents?

Yes.

Q15. “Ineligible Borrower” is a very generic NANA Reason Code. Please clarify the purpose/definition as to when this reason code would be used.

This reason code is typically used when the borrower is an LLC or not a natural person or a borrower has more than 5 single family properties (exclusive of principal residence).