Supplemental Directive 10-17   *December 2, 2010*

Making Home Affordable Program – Handbook for Servicers Version 3.0

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 3.0 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.

Version 3.0 of the *Handbook* incorporates and supersedes in their entirety Supplemental Directives 09-01; 09-02; 09-03; 09-04; 09-05 Revised; 09-06; 09-07; 09-08; 09-09 Revised; 09-10; 10-01; 10-02; 10-03; 10-04; 10-05; 10-06; 10-07; 10-08; 10-09; 10-10; 10-11; 10-12; 10-13; 10-14; and 10-15, as well as related FAQs and waivers. In addition, the portions of Supplemental Directive 10-16 that became effective on November 23, 2010 are incorporated and superseded by the *Handbook*.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*.

Version 3.0 of the *Handbook* includes the following topics that were not included in Version 2.0 of the *Handbook*, as well as revisions to existing sections of Version 2.0 of the *Handbook* that have been issued in other Supplemental Directives:

- Chapter I – Making Home Affordable Program (MHA):
  - Program Participation Cap Adjustments Pursuant to the Servicer Cap Model
  - Dodd-Frank Certification Requirement
  - Compliance Assessment and Documentation Requirements for Applicable Programs
  - Guidance on Annual Servicer Certification Required by the Servicer Participation Agreement
  - Case Escalation Process

- Chapter II – Home Affordable Modification Program (HAMP):
  - Borrowers Discharged from Chapter 7 Bankruptcy (language inadvertently left out of Version 1.0)
  - Federally Declared Disaster Relief and other policy updates from Supplemental Directive 10-16 that became effective on November 23, 2010
  - Dodd-Frank Act NPV Notices
  - Principal Reduction Alternative Guidance
- Chapter III – Home Affordable Unemployment Program (UP):
  - UP Policy Enhancements from Supplemental Directive 10-16
- Chapter IV – Home Affordable Foreclosure Alternatives Program (HAFA):
  - HAFA Program Guidance
- Chapter V – Second Lien Modification Program (2MP):
  - 2MP Program Guidance
  - Principal Reduction Alternative Guidance for 2MP
  - 2MP Policy Enhancements from Supplemental Directive 10-16
- Chapter VII – Treasury/FHA Second Lien Program (FHA2LP)
  - FHA2LP Program Guidance
- Chapter VIII – Interactions with HFA Hardest Hit Fund Programs:
  - Hardest Hit Fund Program Guidance
  - Policy Enhancements from Supplemental Directive 10-16

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.