



FHA's Office of Single Family Housing

2016 Governor's Conference on Housing

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Good News!

- Home Affordable Refinance Program (HARP) helps performing underwater conventional mortgages owned or guaranteed by Fannie Mae or Freddie Mac.
- Last month, FHFA recently announced that Fannie & Freddie will extend HARP through September 30, 2017.
- In October 2017, the Enterprises will implement a new streamlined refinance program for borrowers with high loan-to-value (LTV).



Better News!

- While Treasury's Home Affordable Modification Program (HAMP) for Conventional Loans is terminating at the end of 2016, an exception has been provided to allow cases "in process" as of that date...

To be eligible for Treasury-paid incentives:

- Loan must have been originated on or before January 1, 2009;
- Loss mitigation applications must be submitted on or before December 30, 2016; and
- The effective date of the permanent modification must be on or before December 1, 2017.



Best News!

- HAMP for FHA Loans (aka FHA-HAMP) is independent from Treasury's HAMP.
- No loan origination date restriction for eligibility.
- FHA-HAMP is an ongoing program with no expiration date.
- More importantly, FHA-HAMP targets 20% payment reduction.



FHA's Loss Mitigation Enhancements

- In August, FHA streamlined its loss mitigation process for struggling borrowers:
 - Reduced the number of steps that a servicer and borrower must take to resolve a delinquency and enter into a permanent loss mitigation solution.
 - Ended the traditional, stand-alone Loan Modification option so struggling borrowers can access the FHA-HAMP option, with its greater payment relief, sooner.
 - Required servicers to convert borrowers from successful Trial Payment Plans to permanent modifications within 60 days.
- Servicers must implement these updates no later than December 1, 2016.



FHA's Streamline Refinance

- Streamline rate and term refinance product is available for performing FHA-insured mortgages.
- Doesn't require a new appraisal.
- Enables borrowers to obtain a more affordable mortgage payment.



Going Forward

- Joint Federal Housing Agencies (JFHA) Working Group is focused on principles for the future of loss mitigation.
 - Monthly roundtable discussion involving HUD, Treasury, FHFA, USDA, VA, and CFPB in Washington, DC.
- “Guiding Principles for the Future of Loss Mitigation” white paper released by Treasury, HUD, and FHFA in July.
 - Focused on Accessibility, Affordability, Sustainability, Transparency, and Accountability.
- “CFPB’s Principles for the Future of Loss Mitigation” white paper released by CFPB in August.
 - Focused on Accessibility, Affordability, Sustainability, and Transparency.



The Key Role of Housing Counselors

- Working with a HUD-approved housing counseling agency helps improve homeowner & servicer outcomes.
- Counseled homeowners were...
 - Nearly twice as likely to receive a cure for their serious delinquency or foreclosure as non-counseled homeowners.
 - About 1.5 times more likely to not have their mortgage re-enter a troubled status after receiving a loan modification cure.
- Currently, there are over 2,000 HUD-Approved Housing Counseling Agencies supported by FHA's Office of Housing Counseling, which was established by the Dodd-Frank Wall Street Reform and Consumer Protection Act (Dodd-Frank) in 2010.



How to Get Assistance

- All Delaware borrowers struggling to pay their mortgages are strongly encouraged to contact their servicer.
- If a borrower needs additional assistance communicating with their servicer...
 - FHA-insured loans: FHA's National Servicing Center
(877) 622-8525
 - Other mortgages: Consumer Finance Protection Bureau
(855) 411-2372
- Finally, to locate a HUD-Approved Housing Counseling Agency near you, visit www.hud.gov/findacounselor.



Thank You for the Partnership!

