



# THE TIME TO HARP IS NOW

MAY 24, 2016



Fannie Mae

The logo for Freddie Mac, featuring a stylized house icon with a green roof and the text 'Freddie Mac' in blue and green. Below it is the tagline 'We make home possible®'.

# NOW IS THE TIME



HARP will expire  
**December 31, 2016.**



# NATIONWIDE OUTREACH EVENTS



THE TIME TO HARP IS NOW



# WHAT IS HARP?

The Home Affordable Refinance Program (HARP) was created by FHFA and the U.S. Department of Treasury, Fannie Mae and Freddie Mac in 2009 to provide refinancing opportunities for homeowners with solid payment history but who lost significant equity in their homes.



**Your best route to  
a better mortgage**



# HARP ELIGIBILITY REQUIREMENTS

- ✓ Your loan must be owned by Fannie Mae or Freddie Mac
- ✓ Your current loan-to-value ratio must be greater than 80%
- ✓ You must be current on your mortgage, with no late payments in the last 6 months and no more than one late payment in the past 12 months
- ✓ Your home is your primary residence, a 1-unit second home or a 1-4 unit investment property
- ✓ Your loan was originated on or before May 31, 2009



# WHAT CAN HARP DO?

HARP enables borrowers with little to no equity to refinance at low interest rates to either:



Reduce the monthly payment, OR



Reduce the term of their mortgage to rebuild equity faster



# TWO WAYS TO SAVE

Lower interest rate  
=  
lower monthly payment



Refinancing to a shorter term  
=  
big long-term savings



# HARP – “IN THE MONEY”

These homeowners are in the money and that means that their mortgage



Is 1 ½ percentage points above current mortgage rates



Has a remaining balance of more than \$50,000



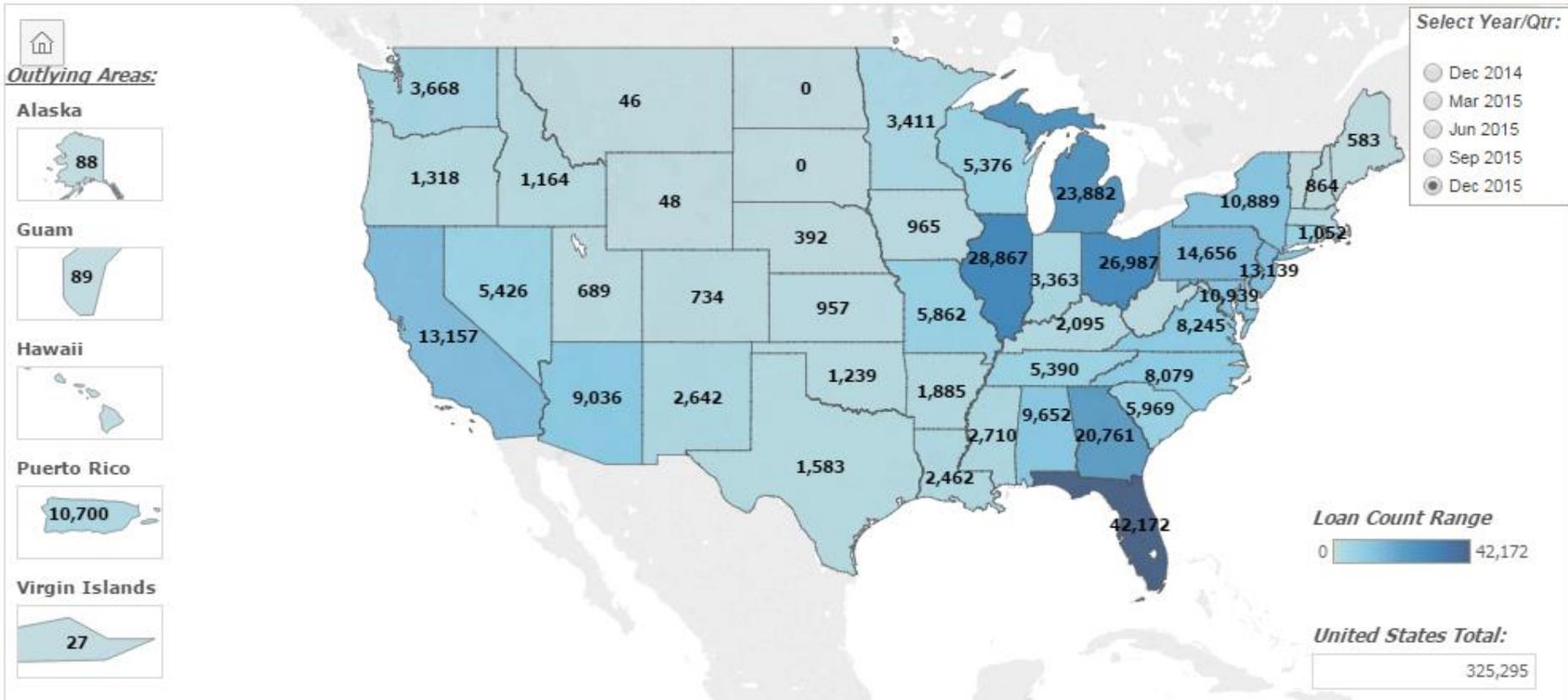
Has an unpaid principal balance that is greater than 80% of the current property value



Has a remaining term of greater than ten years



# NATIONWIDE “IN THE MONEY” BORROWERS



More than **3.4 million** HARP refinances completed and more than **325,000** borrowers still eligible.

Interactive map available at [HARP.gov](http://HARP.gov).



# TOP 10 STATES

## The time to HARP is now.

Program expires December 2016.

### ▶ BENEFITS OF A HARP REFINANCE:

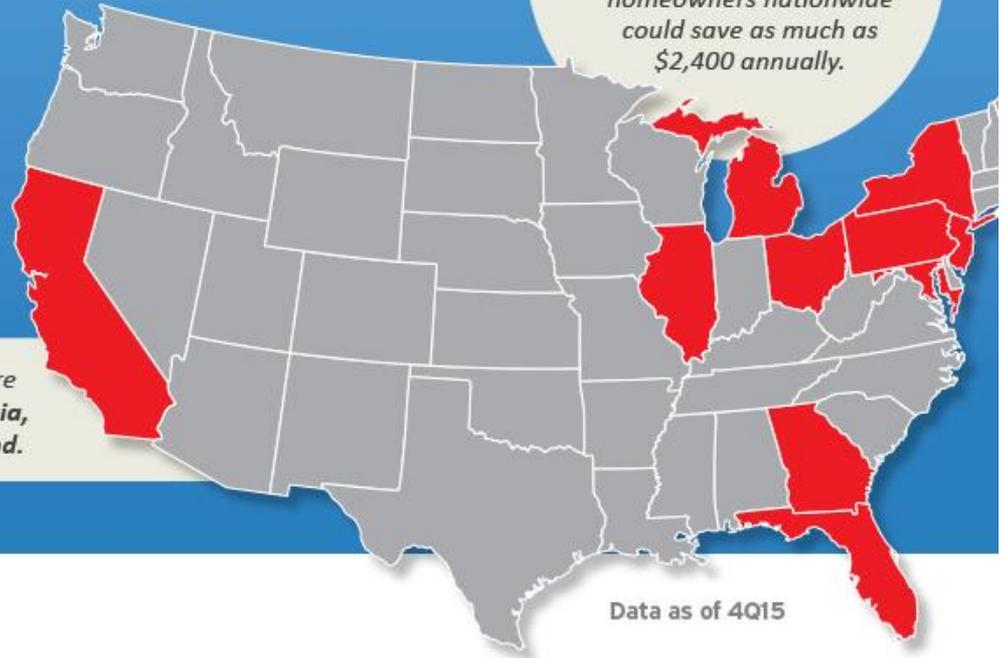
- ✓ Lower your monthly payment
- ✓ Lower your interest rate
- ✓ Shorten your loan term



States with the most HARP-eligible homeowners are Florida, Illinois, Michigan, Ohio, Georgia, California, Pennsylvania, New Jersey, New York and Maryland.

# \$2,400

On average, eligible homeowners nationwide could save as much as \$2,400 annually.



Data as of 4Q15

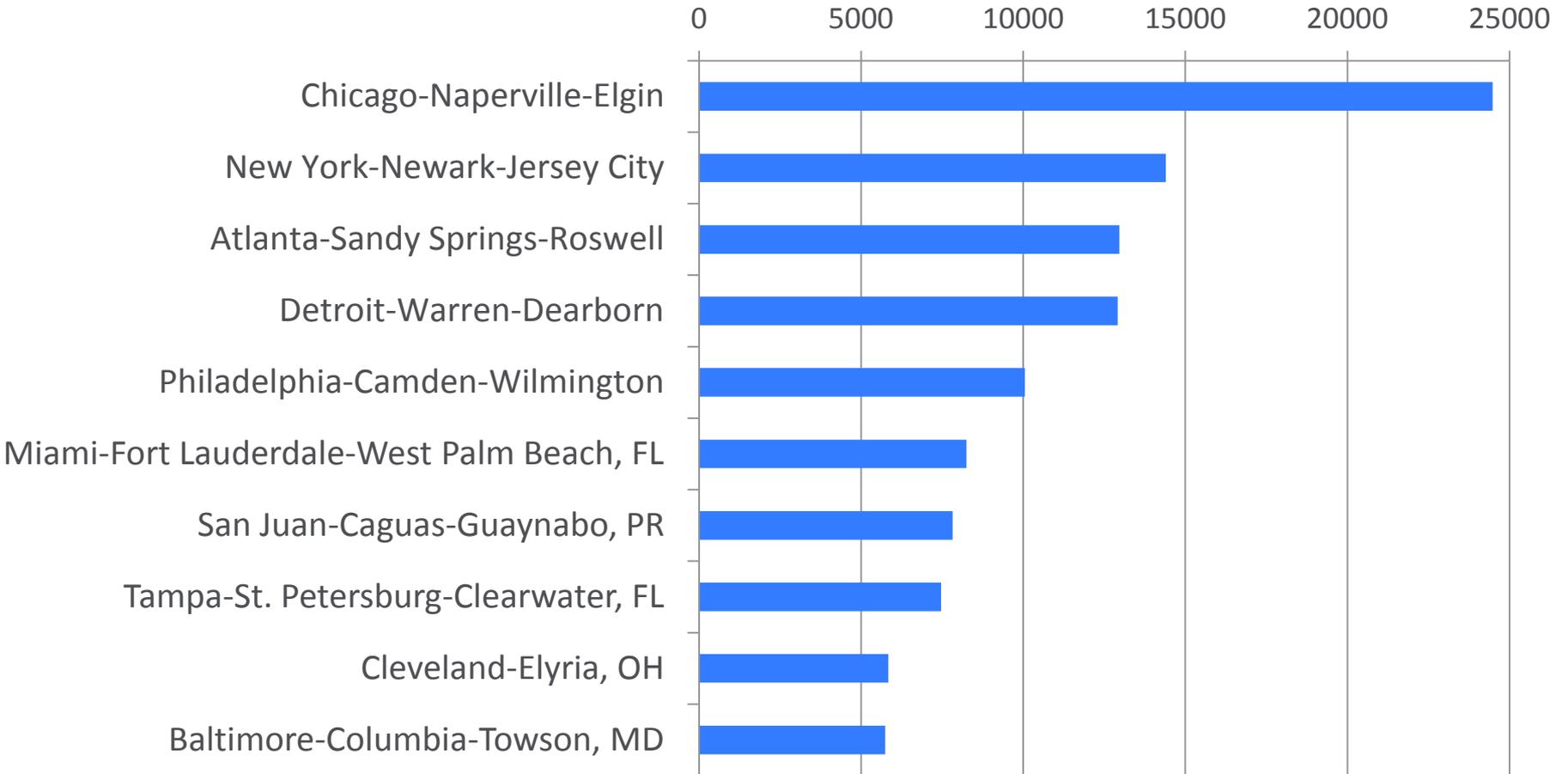


Your best route to a better mortgage

[HARP.gov](http://HARP.gov)



# TOP 10 MSAs



Data as of 4Q15



# MYTHS AND FACTS ABOUT HARP

**HARP is a scam.**

**HARP is a legitimate product.**

**I'm too far underwater.**

**Being significantly underwater does not disqualify you from HARP.**

**I've been turned down for HARP.**

**Even if you have been turned down previously, you could still qualify.**

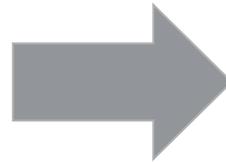
**I can wait to HARP.**

**HARP expires December 31, 2016.  
The time to act is now.**



# MODIFIED BORROWERS CAN STILL REFINANCE

## HAMP



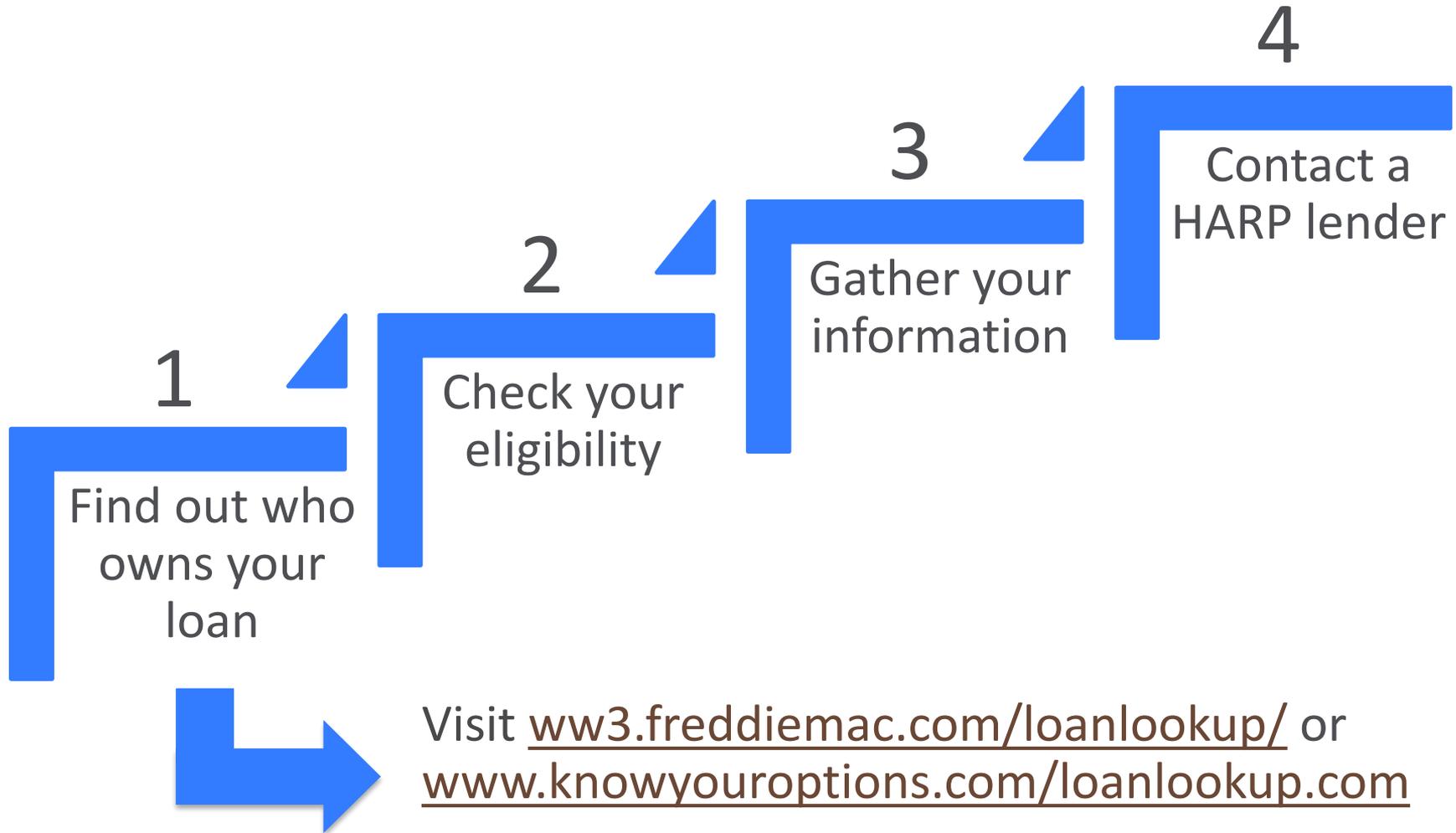
## HARP

My loan has been modified so  
I'm not eligible for HARP.

HAMP and HARP are not mutually  
exclusive.



# GET STARTED WITH HARP



# HARP SUCCESS STORIES



## JOSH AND KELLY

Original Mortgage Rate: 5.875%  
New Mortgage Rate: 4.0%  
Amount Underwater: \$80,000  
**Monthly Savings: \$523.00**

"We wanted to take advantage of today's low rates but didn't think we could since we were underwater. When we found out about HARP, we were thrilled. Now we're saving more than \$500 per month and have peace of mind."



## VICKI AND STEVE

Original Mortgage Rate: 6.37%  
New Mortgage Rate: 4.24%  
Amount Underwater: more than \$100,000  
**Monthly Savings: \$430.00**

"The process was very easy and took only five or six weeks to complete. Homeowners who are underwater and have a higher mortgage rate need to do something. Otherwise, you're throwing away money you could be using every month."



# HARP'S EXPANSIVE ELIGIBILITY

HARP has the ability to help customers that have:

## A past history of:

- Bankruptcy
- Foreclosure
- Short-sale/Deed-in-lieu
- Collections/Charge-Offs

## Or experienced:

- A reduction in income (even for those that are self-employed)
- Recent job change

## Or a property that is:

- An attached/detached condo
- A multi-unit primary or investment (or even a 1-unit second home)

## *HARP HELPS*



# HARP IS NOT HARDER

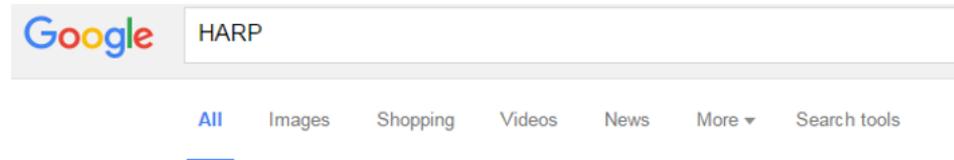
- ✓ Fewer income verification requirements as compared to a standard refinance (less paperwork!)
- ✓ Often no appraisal is required

This streamlined process allows Quicken Loans customers the ability to close on their refinance in as little as 30 days – ultimately getting customers to savings faster than they imagined.



# QUICKEN LOANS CUSTOMER OUTREACH

- TV
- Paid Search
- Social Media
- Radio
- Direct Mail



About 56,200,000 results (0.46 seconds)

**HARP Loan Program - Are You Eligible for HARP?**

Ad [www.quickenloans.com/HARP](http://www.quickenloans.com/HARP)

4.9 ★★★★★ rating for quickenloans.com

Use Our Tool & Find Out In Seconds!

Highest Satisfaction for Mortgage Origination, 2010-2015 – J.D. Power

[Refinance Your Loan](#)

[Buying a New Home?](#)

[First Time Home Buyer](#)

[Apply Online Today](#)



# NFMC & MAKING HOME AFFORDABLE

NeighborWorks America created a separate counseling level (Level Four) to support the Home Affordable Modification Program and homeowners with high debt-to-income ratios.

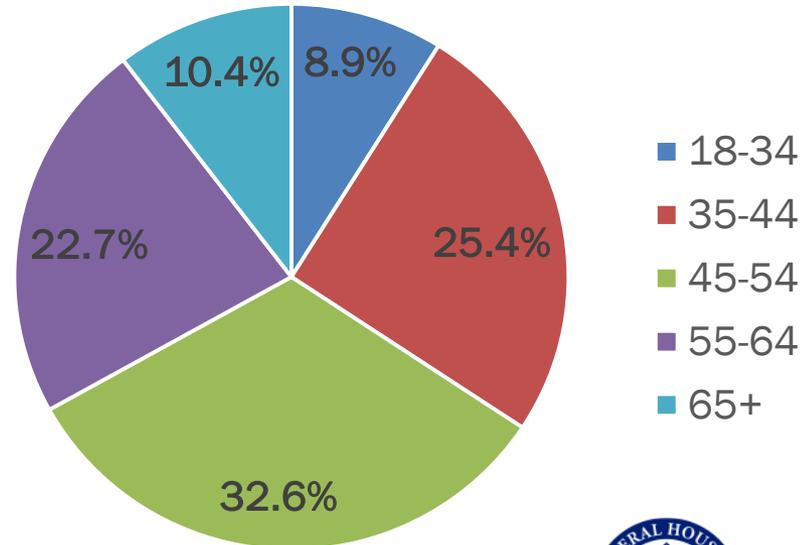
- ✓ NFMC Grantees may use up to 30% of their funding to support Level Four activities.
- ✓ All NFMC Program-counseled homeowners screened for eligibility for MHA.
- ✓ The NFMC Program created an MHA eligibility checklist.

As of July 31, 2015, 13,511 homeowners with trial modifications had received 17,798 units of Level Four counseling.

Counselors typically help these homeowners:

- ✓ Make timely payments
- ✓ Eliminate unnecessary debt
- ✓ Minimize expenses
- ✓ Increase income
- ✓ Create savings

**Level Four Counseling Clients, by Age Group**



# MAKING HOME AFFORDABLE (MHA)

MHA and related programs work together to help homeowners avoid foreclosure.



**HAVING A TOUGH TIME WITH YOUR MORTGAGE?**  
Reduce your monthly payment with the Home Affordable Modification Program (HAMP).

**UNEMPLOYED?**  
SUSPEND/REDUCE your mortgage payments up to a year while searching for a new job with the Home Affordable Unemployment Program (UP).

**CONSIDERING A SHORT SALE?**  
Make the transition easier with up to \$10k in relocation assistance through the Home Affordable Foreclosure Alternatives Program (HAFA).

**HAVING TROUBLE REFINANCING?**  
Refinance into a FIXED-RATE MORTGAGE, even if you're underwater, using the Home Affordable Refinance Program (HARP).

**NOT SURE WHERE TO START?**  
Expert help is free.  
Call 888-995-HOPE (4673).  
Visit [MHA.gov](http://MHA.gov).

MAKING HOME AFFORDABLE



# MHA OFFERS REAL HELP TO HOMEOWNERS

**MHA** has helped  
**1.8M families**



receive  
**MORTGAGE HELP**

Let us **HELP**  
**YOU**



  
MAKING HOME AFFORDABLE

Visit [MHA.gov](http://MHA.gov) or  
Call 888-995-HOPE™ (4673)

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# MHA WIND DOWN MILESTONES

## HAMP

**Initial Package** must be received on or before December 30, 2016 to be eligible for consideration in 2017.

**Must have permanent modification effective date on or before December 1, 2017.**

## HAFA

Short Sale or deed-in-lieu transaction must be **approved on or before December 30, 2016.**

Approved sales contract or a pre-approval to list the property.

**Closing must occur on or before December 1, 2017** to be eligible for HAFA incentives

## UP

Forbearance Plan must be **approved on or before December 30, 2016.**

Effective **May 1, 2016**, servicers may begin to offer proprietary forbearance plans ahead of UP

## 2MP

**HAMP: Initial Package** must be received on or before December 30, 2016 to be eligible for consideration in 2017.

**GSE HAMP:** Complete loan modification application must be received on or before December 30, 2016.

Servicer must receive notification of the 1<sup>st</sup> lien match on or before March 31, 2017. Any partial or full extinguishment of 2<sup>nd</sup> lien must be on or before December 1, 2017.

*Transition period begins in September 2016 where servicers will no longer be required to follow specific HAMP requirements related to solicitation of borrowers.*



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# HAMP MYTHS VS FACTS



# HAMP SCAM AWARENESS





# HHF/HARP ELIGIBLE STATES

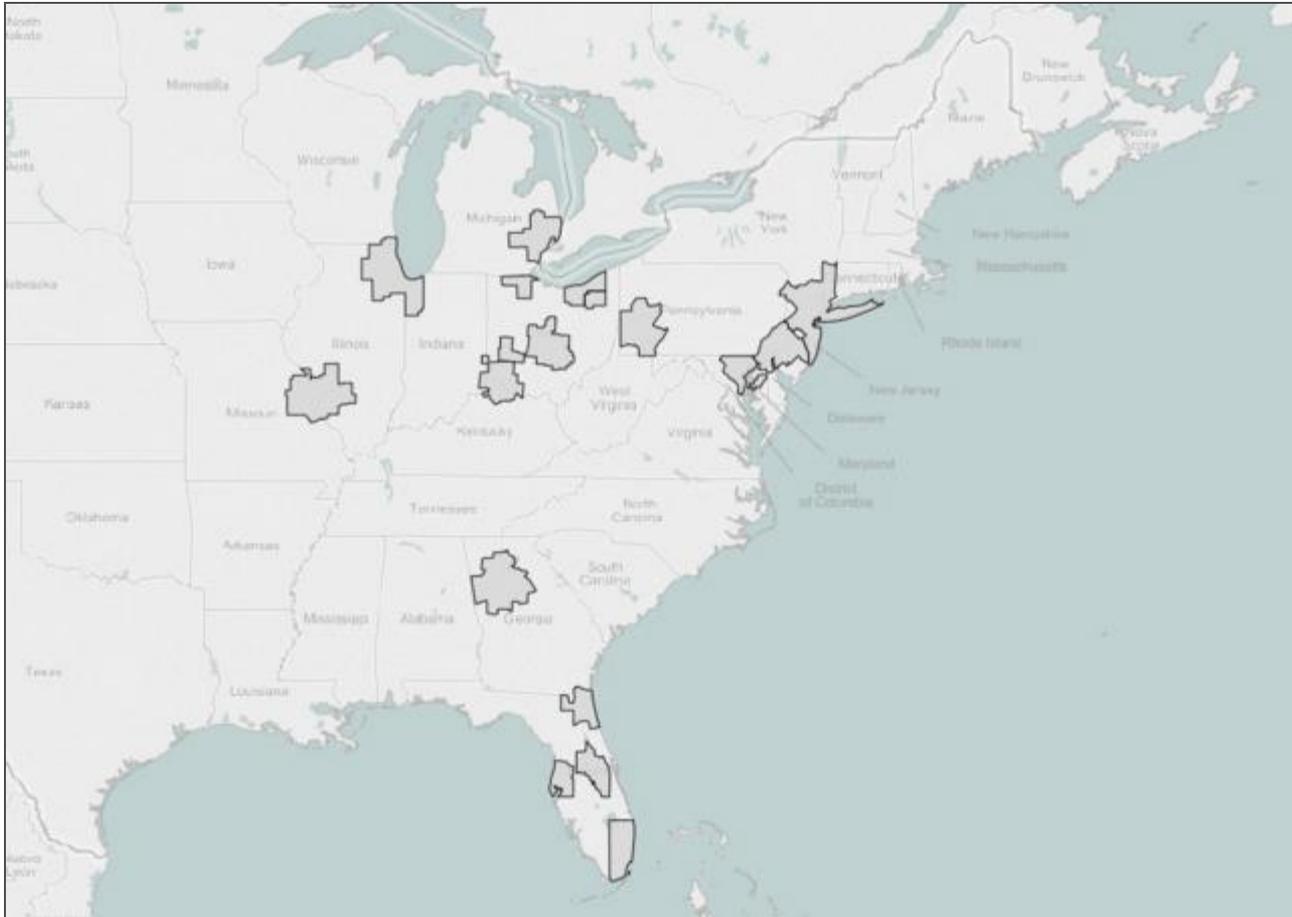
State	Mortgage Payment Assistance	Reinstatement	Transition Assistance	Principal Reduction*	Blight Elimination	Down Payment Assistance
AL	✓	✓	✓	✓	✓	
AZ	✓	✓	✓	✓		✓
CA	✓	✓	✓	✓		
DC	✓	✓				
FL	✓	✓		✓		✓
GA	✓	✓		✓		
IL	✓	✓		✓	✓	✓
IN	✓	✓	✓	✓	✓	
KY	✓	✓				✓
MI	✓	✓		✓	✓	
MS	✓	✓				
NC	✓	✓		✓		✓
NJ	✓	✓		✓		
NV	✓	✓	✓	✓		
OH	✓	✓	✓	✓	✓	
OR	✓	✓		✓		
RI	✓	✓	✓	✓		✓
SC	✓	✓	✓	✓	✓	
TN	✓	✓			✓	

\*Includes principal reduction/curtailment, buy-and-modify, recast, modification-enabling, second and full lien extinguishment programs.

\*\*Programs closed to new applicants in striped gradient. Some of these programs may be reopened in future quarters.



# NEIGHBORHOOD STABILIZATION INITIATIVE

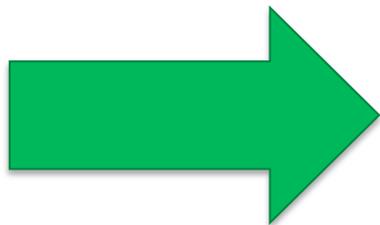


# PRINCIPAL REDUCTION MODIFICATION

To avoid foreclosure and stay in their home, a program is available for certain **seriously delinquent, underwater borrowers**:

- ✓ owner occupants
- ✓ at least 90 days delinquent as of March 1, 2016
- ✓ unpaid principal balance of \$250,000 or less
- ✓ mark-to-market loan-to-value >115% after capitalization

Three on-time payments under new terms and acceptance of final modification converts principal forbearance to principal forgiveness



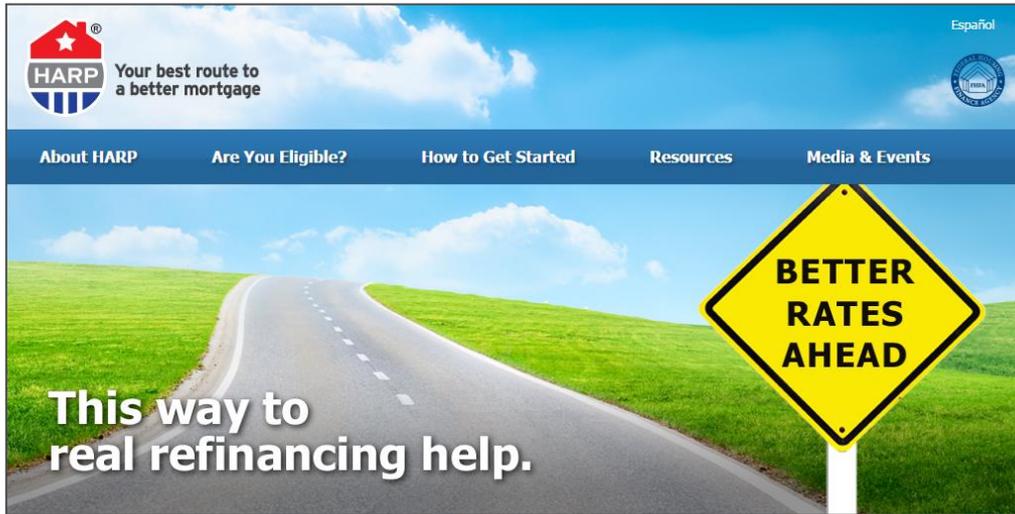
Approximately **33,000** eligible borrowers

**Final** crisis-era modification program

Resources available on [FHFA.gov](http://FHFA.gov).



# HARP RESOURCES



## HARP.gov

- Eligibility map
- Videos
- Fact sheets
- Determine eligibility

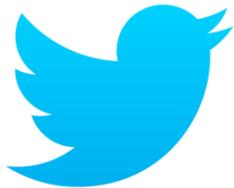


# HARP RESOURCES CONTINUED

## HARP Toolkit:

- Sample Newsletter
- Fact Sheets
- FAQs
- Infographics:
  - Road Map
  - Are you Eligible for HARP?

Follow FHFA on Twitter @FHFA



Available at <http://www.HARP.gov/Resources>.





QUESTIONS?

# FOR MORE INFORMATION

FHFA

Megan Moore | Special Advisor | [HARP@fhfa.gov](mailto:HARP@fhfa.gov) |  
[HARP.gov](http://HARP.gov) | [HARP.gov/español](http://HARP.gov/español)

Department of the  
Treasury

Danielle Johnson-Kutch | Acting Chief, Homeownership  
Preservation Office | [MakingHomeAffordable.gov](http://MakingHomeAffordable.gov)

Fannie Mae

Blake Hampton | Credit Risk Analyst | [KnowYourOptions.com](http://KnowYourOptions.com)

Freddie Mac

Alan Hitchcock | Product Development Director |  
[MyHome.FreddieMac.com](http://MyHome.FreddieMac.com)

NeighborWorks

Nicole Harmon | Vice President, Foreclosure Mitigation |  
[NeighborWorks.org](http://NeighborWorks.org)

Quicken

Katrina Beaubien | Senior Product Manager |  
[QuickenLoans.com](http://QuickenLoans.com)



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THANK YOU FOR PARTICIPATING