



ROUNDPOINT

MORTGAGE SERVICING CORPORATION

HOME AFFORDABLE FORECLOSURE ALTERNATIVES (HAFA) MATRIX

Any servicer that participates in the Home Affordable Modification Program (HAMP) must evaluate eligible borrowers, who do not qualify for HAMP, for other foreclosure prevention alternatives. Other foreclosure prevention alternatives may include the Home Affordable Foreclosure Alternatives (HAFA) program, which relates to short sales and deeds-in-lieu. Eligibility and certain program rules will be determined at the discretion of the servicer. Treasury has developed this HAFA Matrix in order to help borrowers and/or their representatives in better understanding any components of their servicer's HAFA policy.

Eligibility Requirements

According to Treasury's guidelines, a loan may be eligible for HAFA if the servicer verifies that the loan meets the following criteria:

- First lien originated on or before January 1, 2009
- Loan is delinquent or default is imminent
- The current unpaid principal balance does not exceed the following:
 - One-unit Property: \$729,750
 - Two-unit Property: \$934,200
 - Three-unit Property: \$1,129,250
 - Four-unit Property: \$1,403,400
- The property is not condemned.
- Loan is delinquent or default is imminent
- A document financial hardship (Hardship Affidavit/RMA) verifying the borrower does not have sufficient liquid assets to make monthly payments
- The borrower must not have been convicted within the last ten years of a felony for larceny, theft, fraud, forgery, money laundering or tax evasion in connection with a mortgage or real estate transaction.
- The borrower must be a natural person. Mortgage loans made to or secured by properties owned by corporations, partnerships, limited liability companies or other business entities are not eligible for assistance under HAMP
- If a borrower would like to be considered for HAFA, whose loan is less than 60 days delinquent, they may be eligible pending a review of their financial situation.
- If a loan has a scheduled foreclosure sale date, the loan may still be considered for HAFA. However, the timing of the scheduled foreclosure sale may negatively impact eligibility.
- Loans that are active bankruptcy or in foreclosure may be eligible.
- Other investors and/or mortgage insurance guidelines are also taken into consideration to determine eligibility, as well as, all laws and/or other regulations.

Documentation Requirements

All documentation must be completed for all borrowers or parties to the mortgage loan and all documentation must be less than 90 days old.

The following documents may be required to be considered for the following workouts:

Short Sale Notice (SSN):

- Completed MHA Request for Mortgage Assistance (RMA) form
- Hardship Affidavit
- Dodd-Frank Certification form
- HAFA Affidavit
- Non-Owner Occupant Certification (if applicable)



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- Completed 4506-T/4506-EZ form
- Signed copies of the most recent year's tax returns
- Evidence of income:
 - Two copies of the most recent pay stubs with year-to-date earnings
 - Most recent quarterly or year-to-date profit and loss statement, if the borrower is self-employed
- Purchase Agreement and Estimated HUD-1
- Proof of buyer funds or buyer's pre-approval or commitment letter on lender letterhead
- Subordinate lien documentation, if applicable

HAFSA Short Sale Affidavit:

- Seller and the purchaser are required to execute prior to settlement

Acknowledgement of Request for Short Sale (ARSS):

- Completed MHA Request for Mortgage Assistance (RMA) form
- Non-Owner Occupant Certification (if applicable)
- Signed Dodd-Frank Certification form (included in the RMA)
- Signed IRS Form 4506T/4506-EZ signed by all borrowers
- Copies of the most recent year tax returns
- Two copies of the most recent paycheck stubs, no more than 90 days old, with year-to-date earnings listed. If the borrower is self-employed, the most recent quarterly or year-to-date profit and loss statements are required.
- Subordinate lien documentation, if applicable
- Purchase contract
- Listing agreement
- HAFSA Affidavit
- Copy of MLS report
- Additional documentation may be required

Deed-in-Lieu of Foreclosures:

- Completed MHA Request for Mortgage Assistance (RMA) form
- Signed Dodd-Frank Certification form (included in the RMA)
- Signed IRS Form 4506T/4506-EZ signed by all borrowers
- Copies of the most recent year tax returns
- Evidence of income:
 - Two copies of the most recent pay stubs with year-to-date earnings
 - Most recent quarterly or year-to-date profit and loss statement, if the borrower is self-employed
- Subordinate lien documentation, if applicable
- Signed DIL agreement
- Additional documentation may be required

Valuations

RoundPoint will independently establish a property value and an approved list price. We will provide you with instructions regarding the list price and any permissible price reductions. The selling price of the home, may be based on any one of the following:

- Interior Broker Price Opinion (BPO)
- Appraisal
- Automated Valuation Model (AVM)

Disputed valuations



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RoundPoint must receive a written request from the borrower for a re-evaluation of the property and a separate valuation, at the cost of the borrower, within 30 calendar days. RoundPoint will complete the re-evaluation within 30 business days after the receipt of the borrower's request.

Price Reduction

The borrower or selling agent must provide a follow-up every 30 business days regarding the listing activity, during the marketing period. Any price reductions and marketing period extensions will be reviewed by the investor.

Payments during Marketing Period

RoundPoint may require the borrower(s) to make full or partial payments prior to the closing of the short sale or during the agreement period of the deed-in-lieu process.

Deed-In-Lieu (DIL) Policy/Special Programs

Subject to investor and insurer approval, a DIL may be an option if the short sale marketing period expires without an acceptable offer or if the borrower does not want to pursue a short sale, with the following requirements:

- Borrower must provide clear and marketable title
- There must be no adverse change in property condition during the DIL process
- Property must be left in broom clean/swept condition
- Occupant(s) will be provided a vacate date of no less than 30 calendar days from the termination date of the SSN or the issuance of the DIL agreement, whichever is later. The occupant(s) may voluntarily agree to vacate at an earlier date.
- If the property involved is a rental property, the borrower must provide a signed Non-Owner Occupant Certification from each occupant who may receive relocation assistance payment because they will be required to relocate. The borrower must also provide proof that the property is the primary residence of the non-owner occupant(s). Acceptable documentation includes a lease agreement, copies of utility or phone bills, etc.

MHA Incentives

Relocation Assistance

Relocation assistance may be granted if the following conditions are met:

- All required documentation is received from the borrower
 - Evidence of Occupancy
 - Dodd-Frank Certification
 - Non-Owner Occupant Certification, if applicable
- The relocation assistance must be reflected on the HUD-1 Settlement Statement
 - Owner Occupied Borrower(s) may receive up to \$10,000 to assist with relocation expenses, which will be paid at closing from the sale proceeds.
 - Or,**
 - Non-Owner Occupied Tenant(s) or other Non-Borrower Occupant(s), as defined by MHA, may receive up to \$10,000 to assist with relocation expenses, which will be paid at closing from the sale proceeds. The borrower(s) may not retain any portion of the relocation assistance.
 - The payment may not be used to release the subordinate mortgage or non-mortgage liens recorded against the property or any transaction expenses, including but not limited to, property taxes or homeowner association fees.

Subordinate Lien(s) Payoff

The investor may allow up to \$12,000 from the sale proceeds to assist with satisfying the subordinate



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mortgage in exchange for a lien release and full release of borrower liability. The subordinate lien allowance must be reflected on the HUD-1 Settlement Statement.

Average Timelines

Issuance of the Short Sale Notice (SSN): The servicer is must reach a decision in 30 calendar days. However, if a decision is unable to be reached, the borrower must be notified on or before the 30th calendar day and be provided written status updates every 15 calendar days thereafter.

Marketing of property: 120 calendar days

Borrower submits offer to servicer: Within 3 business days of receipt of offer

Servicer decision of offer during marketing period: 10 business days

Servicer decision of offer outside marketing period: 30 calendar days.

Closing: 45 calendar days after approval, or earlier when requested by borrower or required by state law

Please note that the above timeframes are based on the Investor, Mortgage Insurance Company or Subordination lien holder approval and therefore, may vary.

Contact Information

HAFAs questions related to your loan and transaction status, contact us:

Toll Free Number: 877-426-8805 to speak with your assigned representative.

For your convenience, our offices are open Monday through Friday from 8:00 am until 10:00 pm and Saturday from 8:00 am until 12:00 pm Eastern Time Zone.

Assistance with understanding HAFAs eligibility or a decision, you may contact the Homeowner's HOPE Hotline:

Toll Free Number: 888-995-HOPE (888-995-4673)

The Homeowner's HOPE Hotline offers free HUD-certified counseling services and is available 24/7 in English and Spanish (other languages are available by appointment).

Additional information can be found online:

www.rpmservicing.com

www.makinghomeaffordable.gov

Correspondence:

5016 Parkway Plaza Blvd. Charlotte, NC 28217

Toll Free Fax number: 877-343-2448

Third Party Vendors

RoundPoint utilizes a third party vendor to provide valuations. For a list of the approved Appraisal Management Companies or BPO vendors, please contact us directly at 877-426-8805.

The information contained herein is for the use of RoundPoint Mortgage Servicing Corporation customers ONLY. This information is subject to change. Treasury does not endorse any language or policy described in this matrix and all requirements listed are for general purposes only. For detailed information and requirements, please contact RoundPoint using the contact information supplied.