

Mortgage Reinstatement Assistance Program

Summary Guidelines



Program Overview

The Mortgage Reinstatement Assistance Program (MRAP) is one of CalHFA MAC's federally-funded programs developed to provide temporary financial assistance to eligible homeowners who wish to remain in their homes but are in imminent danger of losing their home to foreclosure.

MRAP provides funds to assist income-qualified homeowners to help them cure their delinquent first mortgage loan arrearages, which may also include payments needed to reinstate their loans from foreclosure.

Program Goals

The MRAP program will prevent avoidable foreclosures by helping homeowners reinstate their past due first mortgage loans.

MRAP will also mitigate the need for large reinstatement dollars to be capitalized with remaining loan balance, and thus, broaden the population of homeowners who otherwise may not qualify for modification.

Target Population/Areas

MRAP is designed to target low-to-moderate income homeowners and address the needs of a homeowner's specific situation in lieu of targeting certain regions or counties.

Program Allocation

(Excluding Administrative Expenses)

\$159,400,000.00

Eligibility Criteria

Homeowner must qualify as a low-to-moderate income household, as follows:

- Low-to-moderate income of 120% or less of the HCD Area Median Income (as defined by the California State Department of Housing and Community Development), for a family of four, in the county where homeowner resides.
- A loan financed in whole or in part by bonds that are tax-exempt under IRC section 143, the homeowner is presumed to satisfy income limits.

Homeowner must complete and sign a Hardship Affidavit/3rd Party Authorization documenting the reason for the hardship.

Homeowners who have recently encountered a financial hardship due to their military service are eligible.

Homeowner has adequate income to sustain reinstated first lien mortgage loan per CalHFA MAC approved investor guidelines.

Homeowner must agree to provide all necessary documentation to satisfy program guidelines established by CalHFA MAC.

Mortgage loan is delinquent or at risk of imminent default as substantiated by homeowner's hardship documentation. Loans in foreclosure are eligible.

Homeowner in an "active" bankruptcy is ineligible for KYHC program assistance consideration. KYHC will handle written requests for assistance received from a homeowner's bankruptcy attorney or trustee on an exception basis.

Final approval is subject to servicer participation in accordance with investor guidelines.

Homeowners who have previously filed bankruptcy are eligible for consideration with proof of court order "Dismissal" or "Discharge".

General program eligibility is determined by CalHFA MAC, the housing counselor or servicer based on information received from the homeowner. Program-specific eligibility is

Mortgage Reinstatement Assistance Program

Summary Guidelines (Continued)



determined by CalHFA MAC on a first-come/first-approved basis until program funds and funding reserves have been exhausted. Loan servicer will implement the HHF program based on participation agreement terms and conditions.

Funding allocation will be tracked, monitored and performed by CalHFA MAC in a centralized processing operation

Property/Loan Eligibility Criteria

Current unpaid principal balance (UPB) of the first lien mortgage loan is not greater than \$729,750 (GSE conforming limit for a one-unit property).

The property securing the mortgage loan must not be abandoned, vacant or condemned.

The applicant must own and occupy the single family, 1-4 unit home (an attached or detached house or a condominium unit) located in California and it must be their primary residence.

Program Exclusions

Homeowner's "hardship" is a result of voluntary resignation of employment.

MRAP benefit assistance request for reinstatement with a first lien PITI and any escrowed homeowner's association dues or assessments, payment of greater than 38% of the homeowner's gross monthly income, excluding unemployment benefits be considered unaffordable and is excluded from MRAP benefit consideration. CalHFA MAC reserves the right to approve investor guidelines that utilize affordable mortgage payment definitions greater than 38%.

Loan is less than two (2) payments delinquent as of the date of request for assistance.

Structure of Assistance

CalHFA MAC will structure the assistance as a non-recourse, non-interest bearing subordinate loan in favor of the Eligible Entity (CalHFA MAC) secured by a junior lien recorded against the property in the amount of the HHF assistance. At the conclusion of (3) three years, the subordinate loan will be released. Loan will only be repaid to Eligible Entity (CalHFA MAC) in the event of a sale or a refinance that includes cash out with sufficient net equity proceeds prior to forgiveness. Recovered funds will be recycled in order to provide additional program assistance until December 31, 2017, at which time any recovered funds will be returned to Treasury.

After December 31, 2017, any remaining or returned funds will be returned to Treasury.

Per Household Assistance

Up to \$20,000 per household (average funding of \$14,492.74) for PITI and any escrowed homeowner's association dues or assessments, arrearages (and in all cases, subject to the HHF Program maximum benefit cap of \$50,000 with respect to monies previously received under other HHF Programs, if any).

Duration of Assistance

Available on a one-time only basis, per household.

Estimated Number of Participating Households

Approximately 10,999. This figure is based on loans with unpaid principal balances ranging

Mortgage Reinstatement Assistance Program

Summary Guidelines (Continued)



from \$200,000 to \$400,000 with an average funding of \$14,492.74.

Program Inception/Duration

The statewide launch of MRAP was February 7, 2011 and it will continue up to three (3) years or until funding is fully reserved.

Program Interactions with Other HFA Programs

MRAP will serve as a gateway to other loss mitigation programs including loan modification which may include principal reduction, including other HHF Programs and the Principal Reduction Program.

Program Interactions with HAMP

MRAP will serve as a gateway to HAMP which may include principal reduction of homeowner's mortgage.

Program Leverage with Other Financial Resources

CalHFA MAC will require that the servicer waive all accrued and unpaid late charges and NSF fees for all payments funded with MRAP benefits.

Qualify as an Unemployment Program

No.

Principal Reduction Program

Summary Guidelines



Program Overview

The Principal Reduction Program (PRP) is one of CalHFA MAC's federally-funded programs developed with a goal to provide capital on a dollar-for-dollar matching basis with participating lenders to reduce over a three-year period the outstanding principal balances of qualifying properties with negative equity.

PRP will provide monies to reduce the principal balance of the first mortgage loan for the purpose of establishing an appropriate level of debt for eligible homeowners with qualifying properties.

Program Goals

The PRP program will, in cooperation with participating lenders, leverage the HHF dollars by reducing the principal balances of underwater mortgages and provide an incentive for qualifying homeowners to remain in their homes during this period of steep declines in value. A reduction in principal through PRP can achieve desired income ratios and affordability for a homeowner on the existing mortgage loan or can be used in conjunction with a loan modification.

Target Population/Areas

PRP is designed to target low-to-moderate income homeowners and address the needs of a homeowner's specific situation in lieu of targeting certain regions or counties.

Program Allocation

(Excluding Administrative Expenses)

\$772,197,793.52

Eligibility Criteria

Homeowner must qualify as a low-to-moderate income household, as follows:

- Low-to-moderate income of 120% or less of the HCD Area Median Income (as defined by the California State Department of Housing and Community Development), for a family of four, in the county where homeowner resides.
- A loan financed in whole or in part by bonds that are tax-exempt under IRC section 143, the homeowner is presumed to satisfy income limits.

Homeowner must complete and sign a Hardship Affidavit / 3rd Party Authorization documenting the reason for the hardship.

Homeowners who have recently encountered a financial hardship due to their military service are eligible.

Homeowner has adequate income to sustain modified mortgage payments per CalHFA MAC approved investor guidelines.

Homeowner must agree to provide all necessary documentation to satisfy program guidelines established by CalHFA MAC.

Mortgage loan is delinquent or at risk of imminent default as substantiated by homeowner's hardship documentation. Loans in foreclosure are eligible.

Homeowner in an "active" bankruptcy is ineligible for KYHC program assistance consideration. KYHC will handle written requests for assistance received from a homeowner's bankruptcy attorney or trustee on an exception basis. Final approval is subject to servicer participation in accordance with investor guidelines. Homeowner's who have previously filed bankruptcy are eligible for consideration with proof of court order "Dismissal" or "Discharge".

Principal Reduction Program

Summary Guidelines (Continued)



Eligibility Criteria

General program eligibility is determined by CalHFA MAC, the housing counselor or servicer based on information received from the homeowner. Program-specific eligibility is determined by CalHFA MAC on a first-come/first-approved basis until program funds and funding reserves have been exhausted. Loan servicer will implement the HHF program based on participation agreement terms and conditions.

Funding allocation will be tracked, monitored and performed by CalHFA MAC in a centralized processing operation.

Property/Loan Eligibility Criteria

Property is encumbered by a first lien mortgage loan that was originated on or before January 1, 2009.

Current unpaid principal balance (UPB) of the first lien mortgage loan is not greater than \$729,750 (GSE conforming limit for a one-unit property).

The property securing the mortgage loan must not be abandoned, vacant or condemned.

The applicant must own and occupy the single family, 1-4 unit home (an attached or detached house or a condominium unit) located in California and it must be their primary residence.

Program Exclusions

Homeowner's "hardship" is a result of voluntary resignation of employment.

Homeowner fails to satisfy lender underwriting guidelines.

LTV of 115% or less.

First lien PITI and any escrowed homeowner's association dues or assessments, payments that are less than 31% of homeowner's gross monthly income, excluding unemployment benefits, are considered affordable and are excluded from PRP benefit assistance eligibility.

Unemployment benefits may not be used to qualify for PRP assistance.

Structure of Assistance

In the event that CalHFA MAC receives less than 100% match by the lender/servicer, CalHFA MAC will structure the assistance as a non-recourse, non-interest bearing subordinate loan in favor of the Eligible Entity (CalHFA MAC) secured by a junior lien recorded against the property in the amount of the HHF assistance. At the conclusion of (3) three years, the subordinate loan will be released. Loan funds will only be repaid to Eligible Entity (CalHFA MAC) in the event of a sale or a refinance that includes cash out with sufficient net equity proceeds prior to forgiveness. Recovered funds will be recycled in order to provide additional program assistance until December 31, 2017, at which time any recovered funds will be returned to Treasury.

If the lender/servicer matches the assistance in an amount equal to or greater than 100% of the HHF Program assistance provided to the homeowner, then the assistance is not required to be structured as a loan to the homeowner.

After December 31, 2017, any remaining or returned funds will be returned to Treasury.

Per Household Assistance

Up to \$50,000 per household (average funding of \$47,446.53), less program monies previously received under other HHF Programs.

Principal Reduction Program

Summary Guidelines (Continued)



Duration of Assistance

Available on a one-time only basis, per household.

Estimated Number of Participating Households

Approximately 16,275. This figure is based on loans with unpaid principal balances ranging from \$200,000 to \$400,000 with an average funding of \$47,446.53.

Program Inception/Duration

The statewide launch of PRP was February 7, 2011 and it will continue up to three (3) years or until funding is fully reserved.

Program Interactions with Other HFA Programs

PRP may be used in conjunction with MRAP aimed at reinstatement.

Program Interactions with HAMP

PRP may work in conjunction with a standard HAMP modification to help eligible homeowners achieve desired income ratios and affordability. PRP may be combined or used in conjunction with the HAMP Principal Reduction Alternative (PRA). PRP funds are not eligible in any combination to qualify for HAMP PRA investor incentive compensation.

Program Leverage with Other Financial Resources

The goal of the program is for the applicable servicer/lender to match PRP funds on a dollar-for-dollar basis. The servicer/lender's matching funds will be paid no later than at the time of CalHFA MAC program funding.

CalHFA MAC will require that the servicer waive all accrued and unpaid late charges and NSF fees at the time the modification agreement is completed.

Qualify as an Unemployment Program

No.

Transition Assistance Program

Summary Guidelines



Program Overview

The Transition Assistance Program (TAP) is one of CalHFA MAC's federally-funded programs developed to provide eligible homeowners with transition assistance when it is determined that they can no longer afford their home.

TAP will be used in conjunction with short sale and deed-in-lieu programs to help homeowners make a smooth transition to housing. Homeowners will be required to occupy and maintain the property until the home is sold or returned to the lender as negotiated.

Program funds would be available on a one-time only basis up to \$5,000 per household and can be used or layered with other CalHFA MAC HHF Programs. Funds will be sent to the servicer or homeowner after or in connection with the short sale or deed-in-lieu of foreclosure closing. Funds are intended to help the homeowner secure new housing (e.g., rent, moving expenses, and security deposits) and will be available for transition assistance counseling services.

Program Goals

CalHFA MAC envisions that these monies would be used to complement other federal or lender programs designed specifically to stabilize communities by providing assistance to homeowners who have suffered a financial hardship and as a result are no longer financially able to afford their mortgage payments.

Target Population/Areas

TAP is designed to target low-to-moderate income homeowners and address the needs of a homeowner's specific situation in lieu of targeting certain regions or counties.

Program Allocation

(Excluding Administrative Expenses)

\$2,300,000.00

Eligibility Criteria

Homeowner must qualify as a low-to-moderate income household, as follows:

- Low-to-moderate income of 120% or less of the HCD Area Median Income (as defined by the California State Department of Housing and Community Development), for a family of four, in the county where homeowner resides.
- A loan financed in whole or in part by bonds that are tax-exempt under IRC section 143, the homeowner is presumed to satisfy income limits.

Homeowner must complete and sign a Hardship Affidavit / 3rd Party Authorization documenting the reason for the hardship.

Homeowners who have recently encountered a financial hardship due to their military service are eligible.

Homeowner must agree to provide all necessary documentation to satisfy program guidelines established by CalHFA MAC.

Mortgage loan is delinquent or at risk of imminent default as substantiated by homeowner's hardship documentation. Loans in foreclosure are eligible.

Homeowner in an "active" bankruptcy is ineligible for KYHC program assistance consideration. KYHC will handle written requests for assistance received from a homeowner's bankruptcy attorney or trustee on an exception basis. Final approval is subject to servicer participation in accordance with investor guidelines. Homeowner's who have previously filed bankruptcy are eligible for consideration with proof of court order "Dismissal" or "Discharge".

General program eligibility is determined by CalHFA MAC, the housing counselor or

Transition Assistance Program

Summary Guidelines (Continued)



Eligibility Criteria

servicer based on information received from the homeowner. Program-specific eligibility is determined by CalHFA MAC on a first-come/first-approved basis until program funds and funding reserves have been exhausted. Loan servicer will implement the HHF program based on participation agreement terms and conditions.

Funding allocation will be tracked, monitored and performed by CalHFA MAC in a centralized processing operation.

Property/Loan Eligibility Criteria

Current unpaid principal balance (UPB) of the first lien mortgage loan is not greater than \$729,750 (GSE conforming limit for a one-unit property).

The property securing the mortgage loan must not be abandoned, vacant or condemned.

The applicant must own and occupy the single family, 1-4 unit home (an attached or detached house or a condominium unit) located in California and it must be their primary residence.

Structure of Assistance

TAP assistance will not be structured as a loan.

After December 31, 2017, any remaining or returned funds will be returned to Treasury.

Per Household Assistance

Up to \$5,000 per household (average funding of \$5,000).

Duration of Assistance

Available on a one-time only basis, per household.

Estimated Number of Participating Households

Approximately 460. This figure is based on loans with unpaid principal balances ranging from \$200,000 to \$400,000 with an average funding of \$5,000.00.

Program Inception/Duration

The statewide launch of TAP was February 7, 2011 and it will continue up to three (3) years or until funding is fully reserved.

Program Interactions with Other HFA Programs

TAP benefits may be available to the homeowner even if UMA, MRAP and/or PRP benefits have been utilized, subject to the HHF Program maximum benefit cap of \$50,000.

Transition Assistance Program

Summary Guidelines (Continued)



Program Interactions with HAMP/HAFA

TAP complements HAMP and HAFA. The funds will leverage monies being made available through HAFA. Servicer is required to follow HAFA guidelines for allowable costs. In cases where the Servicer has approved the homeowner for a HAFA transaction, TAP dollars will be limited to \$2,000 in order to maintain the \$5,000 HHF Program maximum per household.

Program Leverage with Other Financial Resources

None.

Qualify as an Unemployment Program

No.

Unemployment Mortgage Assistance

Summary Guidelines



Program Overview

The Unemployment Mortgage Assistance Program (UMA) is one of CalHFA MAC's federally-funded programs developed to provide temporary financial assistance to eligible California homeowners who wish to remain in their homes but have suffered a loss of income due to unemployment.

CalHFA MAC is partnering with financial institutions to directly provide program funds to subsidize an eligible homeowner's mortgage payments.

UMA provides mortgage payment assistance equal to the lesser of \$3,000 per month or 100% of the PITI (principal, interest, tax, insurance) and any escrowed homeowner's association dues or assessments, for up to nine (9) months, with the purpose of preventing avoidable foreclosures until such time that the homeowner retains employment sufficient to meet the demands of satisfying their regular mortgage payment.

Program Goals

UMA's goal is to help homeowners remain in their homes and prevent avoidable foreclosures despite loss of income due to unemployment.

The UMA program will minimize past due payments, and provide a homeowner with additional time to find alternate employment and replace income needed to make their mortgage payment.

UMA was designed to assist homeowners who are currently approved to receive or receiving unemployment benefits.

UMA was designed to complement other loss mitigation programs, including increasing a homeowner's eligibility for an extended written forbearance plan and/or loan modification.

Target Population/Areas

UMA is designed to target low-to-moderate income homeowners and address the needs of a homeowner's specific situation in lieu of targeting certain regions or counties.

Program Allocation

(Excluding Administrative Expenses)

\$874,995,915.28

Eligibility Criteria

Homeowner must qualify as a low-to-moderate income household, as follows:

- Low-to-moderate income of 120% or less of the HCD Area Median Income (as defined by the California State Department of Housing and Community Development), for a family of four, in the county where homeowner resides.
- A loan financed in whole or in part by bonds that are tax-exempt under IRC section 143, the homeowner is presumed to satisfy income limits.

Homeowner must complete and sign a Hardship Affidavit/3rd Party Authorization documenting the reason for the hardship.

Homeowners who have recently encountered a financial hardship due to their military service are eligible.

Homeowner must agree to provide all necessary documentation to satisfy program guidelines established by CalHFA MAC.

Homeowner must be currently approved to receive or receiving unemployment benefits.

Mortgage loan is delinquent or at risk of imminent default as substantiated by homeowner's hardship documentation. Loans in foreclosure at the time of request for assistance are not eligible.

Unemployment Mortgage Assistance

Summary Guidelines (Continued)



Eligibility Criteria

Homeowner in an “active” bankruptcy is ineligible for KYHC program assistance consideration. KYHC will handle written requests for assistance received from a homeowner’s bankruptcy attorney or trustee on an exception basis. Final approval is subject to servicer participation in accordance with investor guidelines. Homeowner’s who have previously filed bankruptcy are eligible for consideration with proof of court order “Dismissal” or “Discharge”.

General program eligibility is determined by CalHFA MAC, the housing counselor or servicer based on information received from the homeowner. Program-specific eligibility is determined by CalHFA MAC on a first-come/first-approved basis until program funds and funding reserves have been exhausted. Loan servicer will implement the HHF program based on participation agreement terms and conditions.

Funding allocation will be tracked, monitored and performed by CalHFA MAC in a centralized processing operation.

Property/Loan Eligibility Criteria

Current unpaid principal balance (UPB) of the first lien mortgage loan is not greater than \$729,750 (GSE conforming limit for a one-unit property).

The property securing the mortgage loan must not be abandoned, vacant or condemned.

The applicant must own and occupy the single family, 1-4 unit home (an attached or detached house or a condominium unit) located in California and it must be their primary residence.

Program Exclusions

A Notice of Default has been recorded on the subject property as of the date of request for assistance or at the time homeowner requested HAMP UP forbearance from their servicer.

Loan is in foreclosure as evidenced by a recorded Notice of Default on the subject property.

Homeowner’s “hardship” is a result of voluntary resignation of employment.

Homeowners in an active HAMP trial modification is not eligible for UMA consideration unless the trial modification is cancelled.

The homeowner is no longer eligible for unemployment benefits from the California Employment Development Department (EDD) benefit.

Structure of Assistance

CalHFA MAC will structure the assistance as a non-recourse, non-interest bearing subordinate loan in favor of the Eligible Entity (CalHFA MAC) secured by a junior lien recorded against the property in the amount of the total reduced PITI and any escrowed homeowner’s association dues or assessments, and equal to the total amount of HHF unemployment assistance. At the conclusion of (3) three years, the subordinate loan will be released. Loan funds will only be repaid to Eligible Entity (CalHFA MAC) in the event of a sale or a refinance that includes cash out with sufficient net equity proceeds prior to forgiveness. Recovered funds will be recycled in order to provide additional program assistance until December 31, 2017, at which time any recovered funds will be returned to Treasury.

After December 31, 2017, any remaining or returned funds will be returned to Treasury.

Per Household Assistance

Up to \$27,000. per household total (average funding of \$14,483.56), equaling the lesser of \$3,000 per month or 100% of PITI and any escrowed homeowner’s association dues or assessments (and in all cases, subject to the HHF Program maximum benefit cap of \$50,000

Unemployment Mortgage Assistance

Summary Guidelines (Continued)



with respect to monies previously received under other HHF Programs, if any).

Duration of Assistance

Homeowner participation in UMA is limited to nine (9) months maximum.

Estimated Number of Participating Households

Approximately 60,413. This figure is based on loans with unpaid principal balances ranging from \$200,000 to \$400,000 with an average funding of \$14,483.56.

Program Inception/Duration

The statewide launch of UMA was January 10, 2011 and it will continue up to three (3) years or until funding is fully reserved.

Program Interactions with Other HFA Programs

UMA will serve as a gateway to homeowner programs aimed at reinstatement and principal reduction as permitted by program guidelines.

Program Interactions with HAMP

This benefit may precede or extend HAMP, including HAMP UP for temporary unemployment assistance which when combined may provide assistance for more than one year. HAMP UP currently offers a minimum of twelve months forbearance for some homeowners.

Program Leverage with Other Financial Resources

Upon completion of all UMA benefit assistance payments and based on homeowner need, the Servicer agrees to consider an extension of unemployment forbearance plan (such as HAMP UP or other Proprietary program) or other foreclosure prevention program as applicable per investor guidelines.

CalHFA MAC will request that the loan servicer waive fees (e.g., NSF and late charges).

Qualify as an Unemployment Program

Yes

The government announced changes to its HARP program November 15, 2011. If you're underwater on your conforming, conventional mortgage, you may be eligible to refinance without paying down principal and without having to pay mortgage insurance.

Here are the details of the government's new 2011 HARP refinance program.

What Is HARP?

HARP was started in April 2009. It goes by several names. The government calls it HARP, as in Home Affordable Refinance Program.

The program is also known as the Making Home Affordable plan, the Obama Refi plan, DU Refi +, and Relief Refinance.

In order to be eligible for the HARP refinance program:

1. Your loan must be backed by Fannie Mae or Freddie Mac.
2. Your current mortgage must have a securitization date prior to June 1, 2009

If you meet these two criteria, you may be HARP-eligible. If your mortgage is FHA, USDA or a jumbo mortgage, you are not HARP-eligible.

HARP: Questions and Answers

Do these question-and-answers account for the "new" HARP mortgage program?

Yes, everything you are reading is accurate as of today, January 5, 2012. This post includes the latest changes as rolled out by the Federal Home Finance Agency on October 24, 2011, and as confirmed by Fannie Mae and Freddie Mac on November 15, 2011.

Is "HARP" the same thing as the government's "Making Home Affordable" program?

Yes, the names HARP and Making Home Affordable are interchangeable.

How do I know if Fannie Mae or Freddie Mac has my mortgage?

Fannie Mae and Freddie Mac have "lookup" forms on their respective websites. [Check Fannie Mae's first](#) because Fannie Mae's market share is larger. If no match is found, [then check Freddie Mac](#). Your loan must appear on one of these two sites to be eligible for HARP.

If my mortgage is held by Fannie Mae or Freddie Mac, am I instantly-eligible for the Home Affordable Refinance Program?

No. There is a series of criteria. Having your mortgage held by Fannie or Freddie is just a pre-qualifier.

My mortgage is held by Fannie/Freddie. Now what do I do?

Find a recent mortgage statement and write "Fannie Mae" or "Freddie Mac" on it -- whichever group backs your home loan -- so you don't forget. Give that information to your lender when you apply for your HARP refinance.

What if neither Fannie Mae nor Freddie Mac has a record of my mortgage?

If neither Fannie *nor* Freddie has record of your mortgage, your loan is HARP-ineligible. If your mortgage is insured by the FHA, you may be eligible for FHA streamline program. The FHA Streamline Refinance helps underwater homeowners, too.

Does HARP work the same with Fannie Mae as with Freddie Mac?

Yes, for the most part, the HARP mortgage program is the same with Fannie Mae as with Freddie Mac. There are some small differences, but they affect just a tiny, tiny portion of the general population. For everyone else, the guidelines work the same.

Am I eligible for the Home Affordable Refinance Program if I'm behind on my mortgage?

No. You must be current on your mortgage to refinance via HARP.

Will the Home Affordable Refinance Program help me avoid foreclosure?

No. The Home Affordable Refinance Program is not designed to delay, or stop, foreclosures. It's meant to give homeowners who are current on their mortgages, and who have lost home equity, a chance to refinance at today's low mortgage rates.

What are the minimum requirements to be HARP-eligible?

First, your home loan must be paid on-time for the prior 6 months, and at least 11 of the most recent 12 months. Second, your mortgage must have been sold to Fannie or Freddie prior to June 1, 2009. And, third, you may not have used the HARP mortgage program before -- only one HARP refinance per mortgage is allowed.

If I refinanced with HARP a few years ago, can I use it again for HARP II?

No. You can only use the HARP mortgage program one time per home.

Is there a loan-to-value restriction for HARP?

No. All homes -- regardless of how far underwater they are -- are eligible for the HARP program.

I am *really* far underwater on my mortgage. Can I use HARP?

Yes, you can. There is no loan-to-value restriction under the HARP mortgage program so long as your new mortgage is a fixed rate loan with a term of 30 years or fewer. If you use an adjustable-rate mortgage, your loan-to-value is capped at 105%.

Maybe I wasn't clear. I am *really, really* far underwater on my mortgage. Are you sure I can use HARP?

Yes, I am sure. The new HARP mortgage program *specifically* has no loan-to-value restriction so that homeowners in Florida, California, Arizona and Nevada can take advantage of it. You can 300% loan-to-value, and still be HARP-eligible. HARP is now unlimited LTV for fixed rate loans with 30-year terms or less.

If I refinance with HARP using an ARM, do I still get "unlimited LTV"?

No, if you use an ARM for HARP, you are limited to 105% loan-to-value. Only fixed rate loans get the unlimited LTV treatment.

Will my home require an appraisal with the HARP mortgage program?

Sort of. Although your home's value doesn't matter for the HARP mortgage program, lenders will run what's called an "automated valuation model" (AVM) on your home. If the value meets reliability standards, no physical appraisal will be required. However, your lender may choose to commission a physical appraisal anyway -- just to make sure your home is "standing".

Is HARP the same thing as an FHA Streamline Refinance?

No, the HARP mortgage program is administered through Fannie Mae and Freddie Mac. FHA Streamline Refinances are performed through the FHA. The programs have similarities, however.

Does Ginnie Mae participate in the HARP Refinance program?

No, Ginnie Mae does not participate in the HARP Refinance program. Ginnie Mae is associated with FHA mortgages -- not conventional ones. HARP II is for conventional mortgages only.

Do I have to HARP refinance with my current mortgage lender?

No, you can do a HARP refinance with any participating mortgage lender.

So, I can use *any* mortgage lender for my HARP Refinance?

Yes. With the Home Affordable Refinance Program, you can refinance with any participating HARP lender.

My current bank says that they're the only ones who can do my HARP Refinance. Is that true?

No, that's not true. Or, at least it shouldn't be. There are *very* few instances in which a HARP applicant will be precluded from shopping for the best rate. It's doubtful that your situation is one of them.

My current mortgage is with [YOUR BANK HERE] and I don't like them. Can I work with another bank?

Yes, with HARP, you can work with any participating lender in the country.

I put down 20% when I bought my home. My home is now underwater. If I refinance with HARP, will I have to pay mortgage insurance now?

No, you won't need to pay mortgage insurance. If your current loan doesn't require PMI, your new loan won't require it, either.

I pay PMI now. Will my PMI payments go up with a new HARP refinance?

No, your private mortgage insurance payments will not increase. However, the "transfer" of your mortgage insurance policy may require an extra step. Remind your lender that you're paying PMI to help the refinance process move more smoothly.

My current mortgage has Lender-Paid Mortgage Insurance (LPMI). Can I refinance via HARP?

No. If your mortgage has lender-paid mortgage insurance (LPMI), you are HARP-ineligible.

How do I know if my mortgage has Lender-Paid Mortgage Insurance (LPMI)?

To find out if your mortgage has lender-paid mortgage insurance (LPMI), locate your loan paperwork from closing. There should be a clear disclosure that states that your mortgage features LPMI, and the terms should be clearly labeled for you.

I don't see an LPMI disclosure in my closing package but I think that I have it. How do I know if my mortgage has LPMI?

If there is no LPMI disclosure, first check if your first mortgage's loan-to-value exceeded 80% at the time of closing. If it did, look to see if you are paying monthly mortgage insurance. If you are not paying monthly PMI, you're likely carrying LPMI (and are HARP-ineligible).

What's the biggest mortgage I can get with a HARP refinance?

HARP refinances are limited to your area's conforming loan limits. In most cities, the conforming loan limit is \$417,000. However, there are some cities in which conforming loan limits are as high as \$729,750..

Can I do a cash-out refinances with HARP?

No, the HARP mortgage program doesn't allow cash out refinance. Only rate-and-term refinances are allowable.

Can I refinance a second/vacation home with HARP?

Yes, you can refinance a second/vacation property with HARP, even if the home was once your primary residence. The loan must meet typical program eligibility standards.

Can I refinance an investment/rental property with HARP?

Yes, you can refinance an investment/rental property with HARP, even if the home was once your primary residence. You can refinance a home on which you're an "accidental landlord" via HARP. The loan must meet typical program eligibility standards.

I rent out my old home. Is it HARP-eligible even though it's an investment property now?

Yes, you can use the HARP Refinance program for your former residence -- even if there's a renter there now.

These things I'm reading here... Why, when I call my bank, do they tell me it's not true?

It's possible that the call center representative to whom you're speaking is neither knowledgeable about HARP, nor the actual mortgage underwriting process. This post is researched and cross-referenced against Fannie Mae and Freddie Mac guidelines, and publicly-available reports from the FHFA.

Are condominiums eligible for HARP refinancing?

Yes, condominiums can be financed on the HARP refinance program. Warrant ability standards still apply.

Can I consolidate mortgages with a HARP refinance?

No, you cannot consolidate multiple mortgages with the HARP refinance program. It's for first liens only. All subordinate/junior liens must be re-subordinated to the new first mortgage.

Can I "roll up" my closing costs with a HARP refinance?

Yes, mortgage balances can be increased to cover closing costs in addition to other monies due at closing such as escrow reserves, accrued daily interest, and a small amount of cash. In *no* cases may loan sizes exceed the local conforming loan limits, however.

I am unemployed and without income. Am I HARP-eligible?

Yes, you do not need to be employed to use the HARP mortgage program. HARP applicants do not need to be "requalified" unless their new principal + interest payment increases by more than 20%. If the new payment increases by less than 20%, or falls, there is no requalification necessary.

My original mortgage was a stated income loan. Will my income be verified with a HARP refinance?

No, your income will not be verified via the HARP refinance program unless your new principal + interest payment increases by more than 20 percent. If your new principal + interest payment increases by less than 20%, or falls, there is no income verification necessary.

I am now divorced. I want to remove my ex-spouse from the mortgage. Can I do that with HARP?

Yes. With HARP, a borrower on the mortgage can be removed via a HARP refinance so long as that person is also removed from the deed; and has no ownership interest in the home. [Click here for a HARP rate quote.](#)

What are the HARP program's mortgage rates?

Mortgage rates for the HARP mortgage program are the same as for a "traditional" refinance. There is no "premium" for using the HARP program.

Do HARP refinances use Loan-Level Pricing Adjustments (LLPAs)?

Yes, HARP mortgages use [loan-level pricing adjustments](#), but LLPAs are dramatically reduced on a HARP refinance and, in some cases, waived entirely. For example, there are no LLPAs for fixed-rate HARP refinances with terms of 20 years or fewer. For all other loans, loan-level pricing adjustments are capped at 0.75 points.

Does a HARP Refinances require LLPAs for a 15-year fixed rate mortgage?

No, there are no LLPAs for 15-year fixed rate mortgage via the HARP Refinance program.

Is there a minimum credit score to use the HARP program?

No, there is no minimum credit score requirement with the HARP mortgage program, per se. However, you must qualify for the mortgage based on traditional underwriting standards.

Do I have to refinance my mortgage with my current lender?

In most cases, no. You can do a HARP refinance with any lender you want. [Click here for a HARP rate quote.](#)

What does the term "DU Refi Plus" mean?

"DU Refi Plus" is the brand name Fannie Mae assigned to its particular flavor of the HARP mortgage program. "DU" stands for Desktop Underwriter. It's a software program that simulates mortgage underwriting. "Refi Plus" is a gimmicky-sounding term that could have been *anything*. The name has been trademarked, however.

What does the term "Relief Refinance" mean?

"Relief Refinance" is the Freddie Mac equivalent of DU Refi+.

For how long should I lock my mortgage rate via the HARP Program

Lock for 45 days, at minimum. This is because the HARP mortgage program, while streamlined for simplicity, still has some grey areas that can lead to delay. It's better to have a rate lock that lasts too long than not long enough.

When does the HARP program end?

If you are HARP-eligible, you must close on your mortgage prior to January 1, 2014

Participating Servicers

Find a list of servicers participating with Keep Your Home California below. (Your servicer is the company that you make your mortgage payments to each month)

We are working diligently to bring more servicers on board. If you do not see your servicer in the table below, please contact them and ask them to participate in the Keep Your Home California programs.

We will update this list as additional servicers come on board. Please check back often.

Servicer	UMA	MRAP	PRP	TAP
21 st Mortgage Corporation	X	X		
American Home Mortgage Servicing, Inc.	X	X		
Aurora Bank FSB	X	X		
Bank of America	X	X	X	
BSI Financial Services	X	X	X	X
Bayview Loan Servicing	X	X		
CA Department of Veterans Affairs	X	X	X	X
CalHFA	X	X	X	X
Capitol Mortgage Services	X	X		X
Cenlar	X	X		
Central Mortgage Company dba Central Mortgage Loan Servicing Company	X	X		X
Chase Home Finance LLC	X	X		
CitiMortgage	X	X		
Colonial Savings F.A.	X	X		
Community First Credit Union	X	X	X	X
Community Trust / Self Help	X	X	X	X
EMC Corporation	X	X		
Everbank / Everhome Mortgage	X	X		X

Fidelity Bank	X	X		
First Bank Mortgage	X	X		
First Mortgage Corporation	X	X		X
First Tech Federal Credit Union	X	X		X
Flagstar Bank	X	X		X
GMAC	X	X		X
Guild Mortgage Company	X	X	X	X
HSBC Bank USA, N.A	X	X		
HSBC Mortgage Servicers	X	X		
HSBC - Beneficial	X	X		
HSBC - Household	X	X		
iServe Servicing Inc.	X	X		X
James B. Nutter & Company	X	X		
JP Morgan Chase Bank, NA	X	X		
Loan Care, a division of FNF Servicing, Inc.	X	X		
Meriwest Mortgage Company	X	X		
Mid First Bank/Midland Mortgage Company	X	X		X
Navy Federal Credit Union	X	X		
Ocwen Loan Servicing, LLC	X	X	X	
One West Bank (to include Indymac Bank)	X	X		
PennyMac Loan Services, LLC	X	X	X	X
PHH Mortgage	X	X		X
PMAC Lending Services, Inc.	X	X		
PNC Bank, National Association	X	X		
Point Loma Credit Union	X			
Provident Funding	X	X		
Quicken Loans Inc.	X	X		X
Residential Credit Solutions, Inc.	X	X	X	X

Santa Barbara Bank & Trust, N.A.	X	X		
Saxon Mortgage Servicing, Inc	X	X		X
Selene Finance LP	X	X		X
Seterus (formerly IBM/LBPS)	X	X		
Specialized Loan Servicing, LLC	X	X	X	
Statebridge	X	X		
SunTrust Bank	X	X		
TruHome Solutions	X	X		X
U.S. Bank	X	X		X
Vericrest Financial	X	X	X	X
Wells Fargo	X	X		
Program Reference List:				
UMA - Unemployment Mortgage Assistance Program				
MRAP - Mortgage Reinstatement Assistance Program				
PRP - Principal Reduction Program				
TAP - Transition Assistance Program				

KEEP YOUR HOME Income Limits

COUNTY	INCOME LIMIT
ALAMEDA	\$ 110,750
ALPINE	\$ 100,300
AMADOR	\$ 80,150
BUTTE	\$ 69,500
CALAVERAS	\$ 82,550
COLUSA	\$ 68,650
CONTRA COSTA	\$ 110,750
DEL NORTE	\$ 68,650
EL DORADO	\$ 90,100
FRESNO	\$ 68,650
GLENN	\$ 68,650
HUMBOLDT	\$ 68,650
IMPERIAL	\$ 68,650
INYO	\$ 77,500
KERN	\$ 68,650
KINGS	\$ 68,650
LAKE	\$ 68,650
LASSEN	\$ 73,100
LOS ANGELES	\$ 76,800
MADERA	\$ 68,650
MARIN	\$ 121,900
MARIPOSA	\$ 70,450
MENDOCINO	\$ 68,650
MERCED	\$ 68,650
MODOC	\$ 68,650
MONO	\$ 89,400
MONTEREY	\$ 81,350
NAPA	\$ 102,000
NEVADA	\$ 85,900

COUNTY	INCOME LIMIT
ORANGE	\$ 101,050
PLACER	\$ 90,100
PLUMAS	\$ 68,650
RIVERSIDE	\$ 75,000
SACRAMENTO	\$ 90,100
SAN BENITO	\$ 93,950
SAN BERNARDINO	\$ 75,000
SAN DIEGO	\$ 89,900
SAN FRANCISCO	\$ 121,900
SAN JOAQUIN	\$ 78,500
SAN LUIS OBISPO	\$ 89,300
SAN MATEO	\$ 121,900
SANTA BARBARA	\$ 86,750
SANTA CLARA	\$ 124,300
SANTA CRUZ	\$ 102,950
SHASTA	\$ 69,850
SIERRA	\$ 85,100
SISKIYOU	\$ 68,650
SOLANO	\$ 97,800
SONOMA	\$ 97,800
STANISLAUS	\$ 73,300
SUTTER	\$ 70,300
TEHAMA	\$ 68,650
TRINITY	\$ 68,650
TULARE	\$ 68,650
TUOLUMNE	\$ 78,950
VENTURA	\$ 105,700
YOLO	\$ 90,950
YUBA	\$ 70,300