



MONTANA
DEPARTMENT OF COMMERCE

HOUSING DIVISION – MONTANA BOARD OF HOUSING

MEMORANDUM

TO: Board members and Staff

FROM: Paula Loving, Office Manager
Montana Board of Housing

RE: MOTEL RESERVATIONS

DATE: May 2, 2014

Rooms are reserved at Super 8 Hardin (201 West 14th St – Interstate 90 Exit 495, 406-665-1700) for the night of May 7, 2014 at the State rate plus tax. The rooms are reserved for the following people:

J.P. Crowley
Bob Gauthier
Doug Kaercher
Ingrid Firemoon
Jeanette McKee
Sheila Rice
Greg Gould
Bruce Brendal
Mary Bair
Vicki Bauer
Penny Cope
Paula Loving

I was unable to confirm this reservation with a few of you so please call the hotel if you need to cancel the reservation. The rooms are guaranteed with your individual credit card unless it has a 6:00 p.m. hold, so please call the motel if you need to cancel the reservation.

MEG O'LEARY, DIRECTOR



STEVE BULLOCK, GOVERNOR

 Hardin, Mt

- | | | |
|---|---|-----------------------------|
| 1. | Head south on N Crawford Ave toward 4th St W | go 404 ft
total 404 ft |
|  | 2. Take the 2nd left onto 3rd St/Old U.S. 87 S
Continue to follow Old U.S. 87 S
About 5 mins | go 1.6 mi
total 1.7 mi |
|  | 3. Turn right to merge onto I-90 E toward Sheridan
About 10 mins | go 11.3 mi
total 13.1 mi |
|  | 4. Take exit 509 toward Makawasha Ave | go 0.3 mi
total 13.3 mi |
|  | 5. Turn left onto Makawasha Ave
About 2 mins | go 0.3 mi
total 13.6 mi |
|  | 6. Turn left onto 3rd St
Destination will be on the right | go 463 ft
total 13.7 mi |

 8645 South Weaver Drive, Crow Agency, Montana 59022

These directions are for planning purposes only. You may find that construction projects, traffic, weather, or other events may cause conditions to differ from the map results, and you should plan your route accordingly. You must obey all signs or notices regarding your route.

Map data ©2014 Google

Directions weren't right? Please find your route on maps.google.com and click "Report a problem" at the bottom left.

MONTANA BOARD OF HOUSING

Apsaalooke Nation Housing Authority – Crow Agency, MT
LBHC Cultural Center
(406) 841-2840

Thursday, May 8, 2014:

**** Continental Breakfast will be served starting at 9:00 a.m.**

- I. **10:00 A.M. CALL MEETING TO ORDER – Chair JP Crowley**
- II. **PUBLIC COMMENT ON ANY PUBLIC MATTER THAT IS NOT ON THE AGENDA OF THE MEETING AND THAT IS WITHIN THE JURISDICTION OF THE AGENCY**
- III. **AGENDA ITEMS**
 - Minutes**
 - Approval of Prior Board Meeting Minutes
 - Homeownership Program** (Vicki Bauer)
 - NeighborWorks Montana 20+ Program Request
 - Homeownership Program Update
 - Multifamily Program** (Mary Bair)
 - Multifamily Update
 - RAM – Waiver Request (if needed)
 - Executive Director** (Bruce Brensda)
 - Executive Directors Update
 - a. Marketing Update (Penny Cope)
- IV. **ADJORNMENT**
- V. **12:00 P.M. LUNCH**
- VI. **1:00 P.M. GROUNDBREAKING CEREMONY of the Apsaalooke Warrior Apartments**

- ❖ **All agenda items are subject to Board action after public comment.** We make an effort to ensure that our meetings are held at facilities that are fully accessible to persons with disabilities. Any persons needing reasonable accommodations must notify the Housing Division at 406-841-2840 or TDD 406-841-2702 before the scheduled meeting to allow for arrangements.

Future Meeting Dates & Locations: (subject to change)

<u>Day , Date</u>	<u>Location</u>	<u>Day , Date</u>	<u>Location</u>
Monday, June 9, 2014	Fairmont	Monday, October 27, 2014	Helena
Monday, July , 2014	no meeting	Monday, November, 2014	no meeting
Monday, August 11, 2014	??	Monday, December 8, 2014	Helena
Monday, September, 2014	no meeting		



MONTANA

DEPARTMENT OF COMMERCE

HOUSING DIVISION – MONTANA BOARD OF HOUSING

MONTANA BOARD OF HOUSING

301 S. Park Avenue, Room 228 – Helena, Montana 59601

Webinar

April 14, 2014

ROLL CALL OF BOARD

MEMBERS: J.P. Crowley, Chairman (Present)
Bob Gauthier (Excused)
Doug Kaercher (Present)
Ingrid Firemoon (Excused)
Jeanette McKee (Present)
Pat Melby (Present)
Sheila Rice (Present)

STAFF: Bruce Brensdal, Executive Director
Mary Bair, Multifamily Program
Vicki Bauer, Homeownership Program
Penny Cope, Public Relations
Paula Loving, Executive Assistant
Kellie Guariglia, Multifamily Program
Todd Jackson, Multifamily Program
Charlie Brown, Homeownership Program
Jeannene Maas, Homeownership Program
Angela Heffern, Accounting Program
Bob Vanek, Multifamily Program
Sheila Stevens, Homeownership Servicing Program
Annette Blackman, Accounting Program
Lisa Huff, Homeownership Servicing Program
Jill Hindoien, Accounting Program
Lisa Tedder, Homeownership Servicing Program

COUNSEL: Greg Gould, Luxan and Murfitt
John Wagner, Kutak Rock

UNDERWRITERS: Mina Choo, RBC Capital Markets

OTHERS: Mary Tran

MEG O'LEARY, DIRECTOR



STEVE BULLOCK, GOVERNOR

<http://housing.mt.gov>

housing@mt.gov

301 S. Park Ave. Ste. 240 | P.O. Box 200528 | Helena, MT | 59620-0528 | Phone: 406.841.2840 | Fax: 406.841.2841 | TDD: 406.841.2702

CALL MEETING TO ORDER

Chairman J.P. Crowley called the Montana Board of Housing (MBOH) Board meeting to Order at 9:10 a.m. Introductions were made. Bruce Brensdaal reviewed the process for Webinar.

APPROVAL OF MINUTES

No minutes available for approval.

HOMEOWNERSHIP PROGRAM

Vicki Bauer provided the Homeownership Program update. Vicki brought to the Board a request for additional funding in the 80% Combined Pilot Program. The Homeownership program requested approval for additional \$700,000 in funding from 2007A Pre-Ullman funds. These funds would finance five loans which were in the middle of financing when the initial \$4.5 million became fully committed. There is no alternative funding available for these borrowers due to the difference in rate between MBOH and Fannie Mae. Jeanette McKee moved to approve the additional \$700,000 of funding under the Pilot Program to fund the additional identified loans, and Doug Kaercher seconded the motion. Chairman Crowley asked for comments.

A roll call vote was taken:

Doug Kaercher	Yes
Jeanette McKee	Yes
Pat Melby	Yes
Sheila Rice	Abstain
JP Crowley	Yes

The motion was approved unanimously.

Meeting adjourned at 9:20 a.m.

Sheila Rice, Secretary

Date

MEMO: April 29, 2014

To: Montana Board of Housing (Board) members
From: Vicki Bauer, Homeownership Program Manager
RE: Additional funding for the 80% Combined Program (Program)

Background: In July, 2013, the Board approved \$4.5 million in funding from 2007A1 Pre-Ullman funds to create a pilot program to offer low-LTV uninsured loans at regular program rates to homebuyers who are eligible for NeighborWorks MT 20+ Community Second program. This 80/20 structure was available only to the group of lenders selected by NWMT for the 20+ Community Second Program. The Program provided a first-position loan for 80% of the purchase price, and NWMT provides an amortizing second loan for the other 20%. This Program provides a valuable alternative to the current high cost of an FHA-insured loan. This program was very well received and the \$4.5 million was fully committed by mid-March. April 9, the Board approved an additional \$700,000 to purchase loans and directed staff to seek options for a sustainable source of funds.

Funding Source Assumptions:

- \$5 million annual loan volume
- 2 year commitment

Options: Funding options are limited to two possibilities

- Board funds
- Market Financing

Considerations:

Board Funds only –Existing uses include buying mortgages with Board funds (bridging) until market financing (bond issue) is available, purchasing deep-equity loans and “set-aside” loans, funding RAM program, purchasing servicing rights, funding operations and supporting debt service shortfalls.

Existing commitments include obligations to buy Disabled Borrower loans, Displaced Homemaker loans, Habitat for Humanity loans, Rural Development Leveraged loans, and Down Payment Pool loans.

Conclusion - Board funds alone are not sufficient to sustain a \$5million annual loss of liquidity for two years without cutting existing uses and commitments.

Market Financing only – Board staff discussed financing possibilities with Mina Choo, RBC. Program financing is workable with the Board’s current bond financing model. However, bond financing alone cannot entirely fund the program. Bond holders and rating agencies require additional collateral for the uninsured loan risk to bond holder and Board and limit the number of uninsured loans purchased.

Conclusion – Market financing alone is not sufficient to provide \$5million annual Program funding for two years without additional collateral subsidizing the deal.

Market / Board Financing – Market financing combined with using Board funds as a source of additional collateral is possible. The amount of additional collateral depends on the following:

- Program volume
- Board asset to debt ratio (Parity)
- Borrower quality
- Borrower financial participation
- Asset quality
- Program requirements
- Borrower & loan disclosure to investors and ratings agencies

Conclusion – A combination of market financing and Board funds can bankroll the Program for two years but is contingent on additional collateralization to cover risk of uninsured loan loss.

Proposal – The Board is able to self-finance \$5 million of loans. If market conditions are favorable, the same amount of loans could be financed by market and would extend Program financing for another year. However, the details of market financing won't be known until the next bond issue. If market financing isn't available, the Board's \$5 million would be the Program limit.

Recommendation – Board authorize the use of \$5,000,000.00 of Board funds for Program financing.

Reservation Report	Purchases	Reservations		Total		Average	
July 1, 2013 - April 28, 2014	# of loans	\$ Amount	# of loans	\$ Amount	# of loans	\$ Amount	Loan Size
039-2014A Brigde	60	\$8,293,115	60	\$8,741,035	120	\$17,034,150	\$141,951.25
Pre/Ullman/Set-Aside	47	\$5,147,347	9	\$1,212,006	56	\$6,359,353	\$113,559.87
Total	107	13,440,462	69	9,953,041	176	23,393,503	\$132,918

Reservations/ Interest Rates

Total since last report	Reg Prog 52	7 Veteran Program - current rate 2.929% (as of 5/1/2014)	0
	Score Ave 12	2 Habitat loans	
	80% Combined 17		

	FHA	VA	RD	HUD-184	80% Combined	Score Adv (2nd loan)	West Edge	Habitat	Whitefish Hsg	total
2011	146	26	66	7				6		251
2012	146	39	86	3			2	4	1	281
2013	138	28	107	2		6	14	10		305
2014-YTD	196	64	204	5	32	42	9	6		558
Total	626	157	463	17	32	48	25	26	1	1395

	FHA	VA	RD	HUD-184		Score Adv (2nd loan)	West Edge	Habitat	Whitefish Hsg	
2011	58.2%	10.4%	26.3%	2.8%		0.0%	0.0%	2.4%		100.0%
2012	52.0%	13.9%	30.6%	1.1%		0.0%	0.7%	1.4%	0.4%	100.0%
2013	45.2%	9.2%	35.1%	0.7%		2.0%	4.6%	3.3%		100.0%
2014-YTD	35.1%	11.5%	36.6%	0.9%	5.7%	7.5%	1.6%	1.1%		100.0%

	FHA	VA	RD	HUD-184	80% Combined	Score Adv (2nd loan)	West Edge	Habitat	Whitefish Hsg	total
2011	18,229,812.00	3,794,216.00	9,300,948.00	946,163.00				501,624.00		32,772,763.00
2012	18,146,617.00	6,225,014.00	10,672,520.00	427,279.00			106,150.00	362,603.00	113,000.00	36,053,183.00
2013	17,883,086.00	4,251,081.00	13,449,399.00	280,992.00		25,787.00	890,444.00	891,762.00		37,672,551.00
2014-YTD	27,311,344.00	11,258,258.00	31,362,531.00	697,799.00	3,919,306.00	210,876.00	585,043.00	644,160.00		75,989,317.00
Total	81570859	25528569	64785398	2352233	3919306	236663	1581637	2400149	113000	182487814

	FHA	VA	RD	HUD-184		Score Adv (2nd loan)	West Edge	Habitat	Whitefish Hsg	
2011	55.6%	11.6%	28.4%	2.9%		0.0%	0.0%	1.5%		100.0%
2012	50.3%	17.3%	29.6%	1.2%		0.0%	0.3%	1.0%	0.3%	100.0%
2013	47.5%	11.3%	35.7%	0.7%		0.1%	2.4%	2.4%		100.0%
2014-YTD	35.9%	14.8%	41.3%	0.9%	5.2%	0.3%	0.8%	0.8%		100.0%

As of 3/31/14

**MCC Program
Monthly Loan Reservation Activity**

	2010		2011		2012		2013		2014	
	# of loans	\$ of loans	# of loans	\$ of loans						
January	9	\$1,462,645			6	\$1,052,395	6	\$935,999	13	\$2,267,148
February	3	\$434,425	6	\$1,074,199	5	\$695,188	9	\$1,785,065	10	\$1,742,502
March	6	\$975,770	9	\$1,344,649	6	\$1,030,418	8	\$1,419,539	11	\$1,926,459
April	17	\$2,440,691	8	\$1,040,569	6	\$933,925	7	\$1,251,453		
May	10	\$1,510,493	4	\$672,740	7	\$943,966	12	\$2,242,587		
June	8	\$1,318,592	11	\$1,656,626	12	\$1,969,647	5	\$976,660		
July	5	\$659,238	7	\$1,024,889	11	\$2,080,457	23	\$4,034,372		
August	3	\$518,053	9	\$1,492,187	15	\$2,440,224	12	\$1,797,581		
September	5	\$818,613	4	\$565,258	10	\$1,794,930	12	\$2,080,105		
October	13	\$2,163,922	12	\$1,975,101	5	\$965,749	6	\$992,918		
November	4	\$664,641	4	\$707,095	4	\$513,162	7	\$1,089,610		
December			3	\$307,319	3	\$521,267	8	\$1,552,290		
yearly total	83	\$12,967,083	77	\$11,860,632	90	\$14,941,328	115	\$20,158,179	34	\$5,936,109
Average loan		\$166,456		\$164,592		\$193,150		\$175,289	Average	\$174,591

Tax credit authority Election date	Series	Waived bond authority	volume of loans supported	Dollar amt of loans	No of certs issued	Amt reserved @ 3/31/14	remaining balance available
12/16/2002	900	\$40 million	\$50,000,000	\$5,803,018	50		(closed)
10/17/2005	901	\$5 million	\$6,250,000	\$6,229,750	42		(closed)
4/7/2008	902	\$4 million	\$5,000,000	\$4,981,634	32		(closed)
1/12/2009	903	\$10 million	\$12,500,000	\$12,497,814	79		(closed)
10/19/2009	904	\$10 million	\$12,500,000	\$12,379,315	79		(closed)
2/7/2011	905	\$12 million	\$15,000,000	\$14,996,446	95		(closed)
6/26/2012	906	\$16 million	\$20,000,000	\$19,917,515	112		\$82,485
8/12/2013	907	\$24 million	\$30,000,000	\$9,010,034	53	\$3,818,210	\$17,171,756
				\$85,815,526	542	\$3,818,210	\$17,254,241

Delinquency and Foreclosure Rates Montana Board of Housing Loan Portfolio

For Period Ending:	1-Mar	1-Feb	1-Jan	1-Dec	1-Nov	1-Oct	1-Sep	13-Aug	13-Jul	Jun-13	May-13	Apr-13	Mar-13
30 Days	1.88	2.38	2.69	2.48	2.41	2.58	2.51	2.88	2.5	2.49	1.9	1.82	1.58
60 Days	0.94	1.12	1.24	1.29	1.21	1.21	1.43	1.11	1.21	1.18	1.08	0.78	0.88
90 Days	1.61	1.89	1.99	2.04	1.93	2.01	1.75	1.86	1.7	1.56	1.15	1.16	1.42
Total Delinquencies	4.43	5.39	5.92	5.81	5.55	5.8	5.69	5.85	5.41	5.23	4.13	3.76	3.88
In Foreclosure	1.18	1.26	1.49	1.41	1.34	1.09	0.98	0.94	1.02	0.99	1.32	1.34	1.16

For Comparison Dec 2013 (most recent available)*

	Montana	Region	Nation
30 Days	1.94	2.34	3.02
60 Days	0.62	0.85	1.15
90 Days	1.06	1.91	2.55
Total Delinquencies	3.62	5.1	6.72
In Foreclosure	1.08	1.65	2.86

* Comparison Data from National Delinquency Survey, Mortgage Bankers Association

MONTANA BOARD OF HOUSING
 SERVICER DELINQUENCY RATE COMPARISON REPORT
 AS OF 03/14

SERVICER NUMBER / NAME	% OF SERVICER RANGE	LOAN COUNT	2-MONTHS		3-MONTHS		4 OR MORE		POSSIBLE FORECLOSURES		TOTAL	
			COUNT	----	%	COUNT	----	%	COUNT	----	%	COUNT
061 FIRST SECURITY BOZEMAN	0.12	7	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
086 STATE BANK & TRUST DILLON	0.03	2	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
101 UNITED BANK OF ABSAROOKEE	0.05	3	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
110 STATE BANK OF TOWNSEND	0.32	19	1	5.26	0	0.00	2	10.53	0	0.00	3	15.79
114 FIRST BOULDER VALLEY BANK	0.08	5	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
127 FLATHEAD BANK OF BIGFORK	0.17	10	1	10.00	0	0.00	0	0.00	0	0.00	1	10.00
138 BANK OF THE ROCKIES 138	0.96	57	1	1.75	0	0.00	0	0.00	0	0.00	1	1.75
147 COMMUNITY BANK, INC 147	1.11	66	1	1.52	0	0.00	2	3.03	1	1.52	4	6.06
159 VALLEY BANK RONAN 159	0.87	52	0	0.00	0	0.00	0	0.00	1	1.92	1	1.92
164 VALLEY BANK BELGRADE 1	2.03	121	3	2.48	2	1.65	3	2.48	2	1.65	10	8.26
213 MANHATTAN BANK 213	0.08	5	0	0.00	1	20.00	0	0.00	0	0.00	1	20.00
229 VALLEY BANK KALISPELL	0.05	3	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
418 RUBY VALLEY NATIONAL BANK	0.02	1	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
524 STOCKMAN BANK OF MT, MILE	11.91	709	10	1.41	10	1.41	12	1.69	5	0.71	37	5.22
547 EAGLE BANK 547	0.03	2	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
601 FIRST INTERSTATE BANK-WY	0.02	1	0	0.00	0	0.00	1	100.00	0	0.00	1	100.00
700 AMERICAN FED SAV HELENA	3.19	190	2	1.05	1	0.53	5	2.63	0	0.00	8	4.21
710 PIONEER SAVING AND LOAN	0.77	46	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
842 GUILD MORTGAGE COMPANY 84	0.96	57	1	1.75	0	0.00	0	0.00	2	3.51	3	5.26
950 MBOH - FIRST INTERSTATE B	21.57	1,284	23	1.79	8	0.62	15	1.17	17	1.32	63	4.91
966 MONTANA BOARD OF HOUSING	55.64	3,312	69	2.08	34	1.03	56	1.69	42	1.27	201	6.07
994 XXX-NeighborWorks Great F	0.02	1	0	0.00	0	0.00	0	0.00	0	0.00	0	0.00
TOTAL	22	5,953	112	1.88	56	0.94	96	1.61	70	1.18	334	5.61

Bauer, Vicki

Subject: FW: FY2014 Q1 TRSII Scorecard

Importance: High

From: Tedder, Lisa

This is awesome news!!!

Every quarter HUD ranks servicer's loss mitigation performance. The highest ranking a servicer can receive from HUD is a Tier 1. A Tier 1 ranking awards a servicer an A rating with HUD. When a servicer receives a Tier 1 ranking, HUD rewards the servicer by paying them higher incentive rates and claim reimbursement rates for a 12 month period.

I am thrilled and proud to say for the 1st time since MBOH took on loan servicing, we have been ranked as a Tier 1 servicer. This ranking reflects just how hard our servicing team has worked for the last year to provide loss mitigation and home retention to our borrowers. This ranking would not be possible without team work and the enormous amount of hard work Sheila and Emy have put in to learning, developing, and providing loss mitigation for our borrowers.

This a amazing and wonderful accomplishment!

Congratulations and Thank You Ladies!!!

Sincerely,
Lisa

Bauer, Vicki

Subject: FW: FY2014 Q1 TRSII Scorecard
Importance: High

From: Rogers, Julia E [<mailto:Julia.E.Rogers@hud.gov>]
Sent: Friday, March 14, 2014 3:15 PM
To: Blackman, Annette
Subject: FY2014 Q1 TRSII Scorecard

Emailed to Electronic Distribution on March 14, 2014

Servicer: MONTANA BOARD OF HOUSING (25186)

The National Servicing Center's Tier Ranking System II (TRSII), is a measurement of servicer compliance with HUD/FHA default servicing guidelines and regulations. It utilizes four scoring elements in order to quantify this compliance. Listed below are the elements and your company's scores.

Element	FY2014 Q1 Score <small>10/1/2013 – 12/31/2013 Released 3/14/2014</small>	FY2014 Q2 Score <small>1/1/2014 – 3/31/2014</small>	FY2014 Q3 Score <small>4/1/2014 – 6/30/2014</small>	FY2014 Q4 Score <small>7/1/2014 – 9/30/2014</small>
Foreclosure Prevention	93.25%			
Redefaults	100.00%			
SFDMS Reporting	89.33%			
Loss Mitigation Engagement	100.00%			
Score	95.64%			
Paperless Extra Credit	0.10%			
Quarter Score	95.74%			

End of Quarter Seriously Delinquent Portfolio Size	105
Classification as of 12/31/2013*	Scored
Opted-Out**	No
Extra Credit Earned this Fiscal Year	0.00%***

* Servicers who no longer meet criteria to be scored will be automatically classified as having opted out.
** If the status shows as opted-out, this letter is for informational purposes only.
***If you have submitted extra credit, this has not yet been applied.

Fiscal Year Overall

Score	<u>95.74%</u>	Grade	<u>A</u>	TRSII Tier	<u>Tier 1</u>
-------	---------------	-------	----------	------------	---------------

Elements

- Foreclosure Prevention – Inappropriate initiation is now “Compliance with ML 2013-40” with points aligned to that policy. The points structure for initiation timing is also now aligned with ML 2013-40. Additional points are available if the foreclosure action scored is not in the first default episode.
Please note beginning with Q3 of FY14, a second group of existing SFDMS codes will be included in the evaluation for compliance with ML 2013-40. Make sure you read that portion of the updated narrative.
- Redefaults – No changes
- SFDMS Reporting – No changes
- Loss Mitigation Engagement – Any servicer with a portfolio consisting of 50% or more loans held by a Housing Finance Agency with an approved loss mitigation waiver will have its score calculated using the “best fit” calculation.

Extra Credit

If you have submitted extra credit for training, this has not yet been applied to your score; you do not need to resubmit it at this time. As a reminder, extra credit must be earned between October 1, 2013, and September 30, 2014, and can be submitted up until October 31, 2013.

Scoring Information

- Scoring benchmarks are broken down as follows: 90% and above is an A/Tier 1, 80% and above is a B/Tier 2, 70% and above is a C/Tier 3, 60% and above is a D/Tier 3, and less than 60% is an F/Tier 4.
- Scoring an A/Tier 1 for an incentive round qualifies your company to receive additional incentives for the following calendar year. The next incentive round will be based upon performance from October 1, 2013, through September 30, 2014, and will determine the additional incentives for calendar year 2015.
- If a particular element shows a blank that means no activity associated with the element occurred during the applicable scoring period that would allow a score to be calculated. This neither positively nor negatively affects a company’s overall score.
- If you would like help understanding your score, make sure you have read the most recent narrative update and request case level detail.

Important Mortgage Letters

- ML 2013-40 Loss Mitigation during the Foreclosure Process

- ML 2013-15 Updated Delinquency/Default Status Codes for the Single Family Default Monitoring System; Special Forbearances and Trial Payment Plans; New Reporting Requirement for Non-Incentivized Loan Modifications

These reporting requirements were to be implemented by the November 2013 cycle. As a reminder, you will get a fatal if you report one of the retired codes 22, 1G, or 77. Please email sfdatarequests@hud.gov with any questions you have regarding default reporting.

Contact Us

****Always include your 5 Digit HUD Lender ID in the email****

- Update email distribution
- Request case level detail
- Submit extra credit for training

What Do You Need?

- For information on TRSII, please refer to the narrative. The FY2014 Q1 update is the most recent version, so if it is not the one that comes up when you click on the link, try again a little later as it may be in the process of getting updated.
- For SFDMS Reporting guidance, please see our website.
- For more information on training opportunities provided by the NSC, please click here.
- For guidance related to servicer/holder reconciliation issues, please see our website.

How Does Your Company Compare?

Below is the breakdown of last fiscal year's results as well as Q1 of this fiscal year. Portfolio size is the total FHA portfolio of active loans a servicer has.

FY2014 Q1 Results

Servicer Size	Tier 1	Tier 2	Tier 3	Tier 4	Total
Portfolio >100,000	12	4	1		17
Portfolio >10,000	5	20	6		31
Portfolio >1,000	17	23	22	3	65
Portfolio <1,000	11	20	18	31	80
	45	67	47	34	193

FY2013 Q4 Results

Servicer Size	Tier 1	Tier 2	Tier 3	Tier 4	Total
Portfolio >100,000	7	8	1		16
Portfolio >10,000	4	16	11		31
Portfolio >1,000	3	19	33	7	62
Portfolio <1,000	7	12	16	28	63
	21	55	61	35	172

For FY2013, 34 servicers opted out, and their counts are not indicated above.

80% Deep Equity Pilot ProgramAuthorized by the Board 04/22/2013: Program expires 6/30/14 (114)

Original Setaside		\$	4,500,000	
Additional Setaside	Apr 14	\$	700,000	
Loans Reserved	7	\$	(1,051,200)	
Loans Purchased	32	\$	(3,918,987)	
Remaining Setaside		\$	229,813	\$ 229,813

West Edge HRDC IXAuthorized by the Board 08/09/2010: Program expires 12/31/2013 (280)

Original Setaside		\$	1,600,000	
Loans Reserved @3.875%	0	\$	(0)	
Loans Reserved @5.50%	0	\$	(0)	
Loans Purchased	27	\$	(1,578,351)	
Remaining Setaside		\$	21,649	\$ 21,649

BURNS STREET COMMONS SETASIDEAuthorized by the Board 08/18/2006: Program expires 12/31/2013 (316)

Original Setaside		\$	1,740,000	
Loans Reserved	0	\$	(0)	
Loans Purchased	0	\$	(0)	
Remaining Setaside		\$	1,740,000	\$ 1,740,000

EATON STREET CONDOS SETASIDEAuthorized by the Board 06/13/2011: Program expires 12/31/14 (317)

Original Setaside		\$	1,000,000	
Loans Reserved	0	\$	(0)	
Loans Purchased	0	\$	(0)	
Remaining Setaside		\$	1,000,000	\$ 1,000,000

FORECLOSURE PREVENTION SETASIDEAuthorized by the Board 09/13/2004: (499)

Original Setaside		\$	50,000	
Loans Reserved	0	\$	(0)	
Loans Purchased	1	\$	(4,365)	
Remaining Setaside		\$	45,635	
TOTAL FORECLOSURE PREVENTION SETASIDE:				\$ 45,635

DISABLED ACCESSIBLE AFFORDABLE HOMEOWNERSHIP PROGRAM (DAAHP)MORTGAGE RATE OF 2.750% TO 5%; Authorized by the Board 6/1995: expires 6/30/14 (501),(502)

Original Setaside		\$	3,500,000	
Additional Setaside	(Sep 94)	\$	4,000,000	
Additional Setaside	(Aug 95)	\$	800,000	
Additional Setaside	(Feb 98)	\$	1,000,000	
Transfer to CAP IV	(Mar 97)	\$	(2,000,000)	
Additional Setaside	(Jul 00)	\$	1,000,000	
Additional Setaside	(Aug 01)	\$	500,000	
Additional Setaside	(Oct 02)	\$	500,000	
Additional Setaside	(Mar 04)	\$	1,000,000	
Additional Setaside	(Apr 05)	\$	500,000	
Additional Setaside	(Jan 06)	\$	1,000,000	
Additional Setaside	(Mar 07)	\$	1,000,000	
Additional Setaside	(Feb 08)	\$	1,000,000	
Additional Setaside	(Jul 08)	\$	500,000	
Additional Setaside	(Mar 09)	\$	1,000,000	
Additional Setaside	(Nov 09)	\$	1,000,000	
Additional Setaside	(Nov 10)	\$	500,000	
Additional Setaside	(Jun 13)	\$	560,000	
Loans Reserved	0	\$	(0)	
Loans Purchased	226	\$	(16,358,432)	
Remaining Setaside		\$	1,001,568	
TOTAL DAAHP SETASIDE:				\$ 1,001,568

LOT REFINANCE SETASIDE

Authorized by the Board 07/02; Program expires 6/30/2014: (575)

Original Setaside		\$	1,000,000	
Additional Setaside	(May 05)	\$	1,000,000	
Loans Reserved	0	\$	(0)	
Loans Purchased	12	\$	(1,273,560)	
Remaining Setaside		\$	726,440	
TOTAL LOT REFINANCE SETASIDE:				\$ 726,440

HABITAT FOR HUMANITY SETASIDE

MORTGAGE RATE OF 0.375%; Authorized by the Board 9/97; Program expires 06/30/2014: (580)

Original Setaside		\$	750,000	
Additional Setaside		\$	700,000	
Additional Setaside	(Feb 02)	\$	250,000	
Additional Setaside	(Feb 02)	Conventional Funding	\$ 250,000	
Additional Setaside	(Dec 02)	Conventional Funding	\$ 250,000	
Additional Setaside	(Jun 03)	Conventional Funding	\$ 500,000	
Additional Setaside	(Feb 06)	Conventional Funding	\$ 1,000,000	
Additional Setaside	(Oct 07)	Conventional Funding	\$ 1,000,000	
Additional Setaside	(Sep 08)		\$ 350,000	
Loans Reserved	0	\$	(0)	
Loans Purchased	74	\$	(5,018,278)	
Remaining Setaside		\$	31,722	
TOTAL HABITAT FOR HUMANITY SETASIDE:				\$ 31,722

Additional Setaside	(Sep 09)	\$	1,000,000	
Loans Reserved	0	\$	(0)	
Loans Purchased	9	\$	(735,563)	
Remaining Setaside		\$	264,437	
TOTAL HABITAT FOR HUMANITY SETASIDE:				\$ 264,437

Additional Setaside	(July 10)	\$	1,000,000	
Loans Reserved	0	\$	(0)	
Loans Purchased	4	\$	(334,623)	
Remaining Setaside		\$	665,377	
TOTAL HABITAT FOR HUMANITY SETASIDE:				\$ 665,377

Additional Setaside	(July 11)	\$	850,000	
Loans Reserved	1	\$	(116,487)	
Loans Purchased	8	\$	(713,743)	
Remaining Setaside		\$	19,770	
TOTAL HABITAT FOR HUMANITY SETASIDE:				\$ 19,770

Additional Setaside	(June 12)	\$	1,125,000	
Loans Reserved	0	\$	(0)	
Loans Purchased	7	\$	(682,912)	
Remaining Setaside		\$	442,088	
TOTAL HABITAT FOR HUMANITY SETASIDE:				\$ 442,088

Additional Setaside	(June 13)	\$	1,000,000	
Loans Reserved	2	\$	(160,806)	
Loans Purchased	3	\$	(343,440)	
Remaining Setaside		\$	495,754	
TOTAL HABITAT FOR HUMANITY SETASIDE:				\$ 495,754

CHIPPEWA CREE HOUSING AUTHORITY MALMSTROM AFB PROJECT

Authorized by the Board 010/2006; Program expires 12/31/2013(956)

Original Setaside		\$	2,000,000	
Loans Reserved	0	\$	(0)	
Loans Purchased	0	\$	(0)	
Remaining Setaside		\$	2,000,000	
TOTAL CCHAMAFB SETASIDE:				\$ 2,000,000

TOTAL OF ALL INDIVIDUAL SETASIDES: \$ 7,260,859

DOWN PAYMENT 1ST MORTGAGE SET-ASIDE POOL (OCT 5, 2007)

Jul-07	\$10,000,000
Approved 9-07/ Began using 2-08	\$10,000,000
March, 2008	\$5,000,000
June, 2008	\$10,000,000
January-09	\$5,000,000
September-09	\$5,000,000

Pre-Ullman Funds

NHS 111 Total Loans	\$ 12,082,524
HRDC BOZEMAN 275 Total Loans	\$ 2,750,094
HRDCXI COMBINED 309 Total Loans	\$ 2,674,592
TOWN OF BRIDGER 325 Total Loans	\$ 108,900
CITY OF BILLINGS 355 Total Loans	\$ 8,157,169
LAKE COUNTY 383 Total Loans	\$ 497,345
HRDC VI 385 Total Loans	\$ 220,106
CITY OF LEWISTOWN HRDC VI 388 Total Loans	\$ -
City of Redlodge 390 Total Loans	\$ 521,238
GR8 HOPE SETASIDE 405 Total Loans	\$ 1,574,651
FTHB SAVINGS ACCOUNT PROGRAM 571 Total Loans	\$ 9,662,328
GLACIER AFFORDABLE HOUSING SETASIDE 600 Total Loans	\$ 189,000
CITY OF MALTA 625 Total Loans	\$ -
WHITEFISH HOUSING AUTHORITY 750 Total Loans	\$ 450,918
Total Loans	\$ 38,888,865
Amount Remaining in Current Allocation	\$6,111,135

Check: \$13,371,993

\$45,000,000	
- (38,888,865)	Total Loans in Allocation
\$6,111,135	
<u>\$ 7,260,858.93</u>	Total of All Individual Setasides
<u>\$ 13,371,993.44</u>	