

What to Do When the Servicer Says “No”

1) Get and review the denial notice

- Servicers must provide a denial notice with a reason, HB Section 2.2 (p. 15), SD09-08.
- The notice must have a toll-free number to reach a servicer representative who can provide more information.
- NPV values need not be provided in the denial notice, but must be provided if requested within 10 calendar days of a borrower’s request within 30 calendar days of the denial notice. HB Section 2.3.2.1 (p. 24, 25).
- Dodd-Frank, P.L. 111-203, Section 1482, requires more NPV values to be provided to borrowers in the denial notice.

2) If the servicer got any of the NPV inputs wrong, provide information as to the correct inputs.

- The servicer must re-run the NPV if the correction “is accurate, material and likely to change the NPV outcome.” HB Section 2.3.2.1 (p. 25), SD09-08 (p. 3).
- Dodd-Frank, P.L. 111-203, Section 1482 requires a portal for use by borrowers to check the accuracy of the servicer’s NPV calculation.
- The foreclosure sale must be suspended while the NPV is re-run. HB Section 2.3.2.1 (p. 25), SD09-08 (p. 3).

3) If the borrower was denied for any financial reason, including the NPV test or excessive forbearance, and the borrower has additional income to report, including additional income from a non-borrower, request reconsideration.

- A borrower remains eligible for HAMP if the denial is for any financial reason or because of basic eligibility considerations, and the borrower’s circumstances change. HB Section 1.2 (p. 19), SD10-01 (p. 4).
- The borrower has until midnight of the seventh business day (typically 10 days) proceeding a scheduled foreclosure sale to request reconsideration. HB Section 3.3 (p. 26).

5) If the servicer won’t review, escalate!

- Ask for the servicer’s in-house escalation team.
- E-mail escalations@hmpadmin.com.
- Ask for Ken Hannold if escalation isn’t satisfactory.