2MP: Second Lien Modification Program. The junior lien component of HAMP.

FHA: Federal Housing Authority.

GSEs: Government sponsored enterprises. These include Fannie Mae and Freddie Mac, who between them hold most of the prime mortgages in the U.S.

HAFA: Home Affordable Foreclosure Alternatives. The short sale and deed-in-lieu companion program to HAMP.

HAMP: Home Affordable Modification Program. The government’s program to encourage loan modifications.

MHA: Making Home Affordable. The umbrella name for the Administration’s anti-foreclosure programs.

Net Present Value: Measurement of the value of a foreclosure or modification, stated in current dollars.

PSA: Pooling and servicing agreement. The agreement between the servicer, the trustee, and the investors in the loan pool.

Redefault: When a borrower falls behind on a loan modification.

RHS: Rural Housing Services.

RMA: Request for Modification Agreement.


TPP: Trial period plan.

VA: Veteran’s Administration.

Waterfall: The order in which various steps are taken to reduce the monthly mortgage payment.