

# HAMP

HAMP – the Home Affordable Modification Program – is part of the US Treasury's Home Affordability & Stability Plan, designed to help at-risk homeowners. A HAMP loan modification should be offered on every MGIC-insured loan that meets program criteria:

- The borrowers have missed mortgage payments or are in imminent risk of default.
- The property is owner-occupied.
- The mortgage was originated on or before Jan. 01, 2009, and the unpaid principal balance does not exceed eligibility limits.

Participating servicers must evaluate all delinquent loans for HAMP eligibility using set program criteria and the Waterfall process.

For more information, refer to the following websites:

- [US Treasury](#)
- [Fannie Mae](#)
- [Freddie Mac](#)

## HAMP Waterfall

The term "Waterfall" is used within the HAMP program to describe the sequence of steps taken to reach the target of a 31% housing debt-to-income ratio. Before beginning the Waterfall process, it must be determined that the loan meets the eligibility criteria.

The following steps are taken, in order, until the 31% target is reached:

