

Instructions Page

Purpose

Servicers are strongly encouraged to use Form SG357 Permanent Loan Modification Worksheet, or its equivalent, to determine the permanent loan modification terms of an MPF® Traditional loan, as Servicers are required to submit that worksheet with the SG354. See MPF Traditional Servicing Guide Chapter 9.

Preparation

- **When:** Servicers should use this form when determining new modified mortgage loan terms pursuant to MFP Traditional Servicing Guide Chapter 9.
- **Who:** This form must be completed by an employee of the Servicer who has responsibilities that would cause such individual to be knowledgeable of the facts and processes needed to complete this form and has authority to certify to the truthfulness and accuracy of the information on this form.
- **How:** Servicer is responsible for creating the final worksheet in a manner compliant with applicable laws and MPF Program requirements.
- **Attachments:** A completed worksheet must be submitted with the SG354.

Submission

- **When:** The Servicer should retain a copy of the completed form and supporting documentation for their own records, and submit the worksheet to the MPF Provider when required to do so by MPF Traditional Servicing Guide Chapter 9, including when submitting an SG354.
- **How:** The Servicer must submit the completed form and any supporting documentation as part of any loan modification related SG354 submission through eMAQCS®plus at <https://eMAQCS.covius.com>.
- **To Whom:** The completed form and supporting documentation must be submitted by Servicer to the MPF Provider.

Additional Guidance

Please email the MPF Provider at MPFdefaultservicing@fhlbc.com for any questions or assistance needed in completing or submitting the form.

Helpful Hints

- The majority of the fields below correspond to the components of the capitalized balance as detailed in Traditional Servicing Guide Chapter 9.2.4.6.2 Determining New Modified Mortgage Terms.
- Enter the dollar amounts of the components of the capitalized balance referenced in the column titled Data into the fields under the column titled Breakdown Amounts.

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Permanent Loan Modification Worksheet

Data (Continued)	Servicer Must	Breakdown Amounts (if \$0, input \$0)
UPB & LPI Pre-Trial	Enter the pre-trial UPB	
Trial Payments Made/Contractual Payments Applied	Enter the principal portion of contractual payments applied during trial	
UPB & LPI After Trial is Completed	Enter the post-trial UPB	
Add Interest Arrearages (Delinquent Interest)	Enter the interest portion of the P&I payment from the month after the last paid installment date through the month before the effective date.	
Subtract Borrower Contribution/Suspense	Enter any borrower contribution or suspense amounts as a negative amount	
Add Out-of-Pocket escrow advances to third parties	Enter any escrow advances the PFI made to third parties made on behalf of the borrower while the loan was delinquent through the month prior to the effective date of the modification	
Add Servicing Advances paid to third parties (as applicable)	Enter any Servicing advances paid to third parties in the ordinary course of business and not retained by the Servicer made on behalf of the borrower while the loan was delinquent through the month prior to the effective date of the modification	
Add Outstanding non-interest bearing balance from a previously completed loss mitigation option (as applicable)	Enter any outstanding non-interest bearing balance from a previously completed loss mitigation option. These are frequently prior COVID-19 Deferrals, include deferred escrow amounts.	
Total Capitalized Balance Prior to Forbearance	Add the amounts from the prior 6 fields together, starting with the Post Trial UPB through the Servicing Advances Paid to Third Parties to achieve the Capitalized Balance Prior to any Forbearance Amounts.	

Permanent Loan Modification Worksheet

Data (Continued)	Servicer Must	Breakdown Amounts (if \$0, input \$0)
Total Capitalized Balance Prior to Forbearance	Add the amounts from the prior 6 fields together, starting with the Post Trial UPB through the Servicing Advances Paid to Third Parties to achieve the Capitalized Balance Prior to any Forbearance Amounts.	
Subtract any principal forbore as result of post-modification MTMLTV ratio being greater than 100% (as applicable)	Enter the amount forbore that is the lesser of: <ul style="list-style-type: none"> An amount that would create a post-modification MTMLTV ratio of 100% using the interest – bearing UPB of the mortgage loan Enter as a negative amount	
Subtract any principal forbore as a result of trying to achieve a 20% P&I payment reduction (as applicable)	Enter an Amount that does not forbear more than: <ul style="list-style-type: none"> An amount that would create a post-modification MTMLTV ratio less than 80% balance, or 30% of the gross post-modification UPB of the mortgage loan Enter as a negative amount	
Subtract any principal forbore as a result of trying to achieve a 40% HTI (as applicable)	Enter an Amount that does not forbear more than: <ul style="list-style-type: none"> An amount that would create a post-modification MTMLTV ratio less than 80% balance, or 30% of the gross post-modification UPB of the mortgage loan Enter as a negative amount	
Total Forbearance Amount	Add the Principal Forborne as a result of Post-Mod MTMLTV over 100%, the Principal Forborne as a result of Post- Mod MTMLTV over 80% and the principal forbore to get the Total Forbearance Amount after modification	
Total Capitalized Balance Less Forbearance	Subtract the total forbearance amount in the above field from the Total Capitalized Balance Prior to Forbearance to get the Total capitalized balance after modification	