



FHA PAYMENT SUPPLEMENT CALCULATION WORKSHEET

Step 1 – Calculate Partial Claim Funds Available	Result
A. Enter the unpaid principal balance (UPB) at time of the initial Partial Claim, or if no previous Partial Claim, enter the UPB as of the Date of Default:	\$
B. Multiply the result in Step 1.A by 30%:	\$
C. Enter the total of all previous Partial Claim(s) (if applicable):	\$
D. Subtract Step 1.C from Step 1.B to determine the maximum Partial Claim funds available:	\$ If result is greater than -0-, proceed to Step 2.  If no Partial Claim funds are available, the Borrower is not eligible for the Payment Supplement.
Step 2 – Calculate Amount Required to Reinstate the Mortgage Using a Payment Supplement	Result
Enter the total amount needed to bring the Mortgage current:	\$ Proceed to Step 3.
Step 3 – Calculate Partial Claim Funds Available for Monthly Principal Reduction (MoPR)	Result
A. Subtract the amount in Step 2 from the amount in Step 1.D to determine the amount of PC funds available for the MoPR:	\$
B. Is the amount in Step 3.A greater than -0-?	If yes, proceed to Step 4.  If no, the Borrower is not eligible for the Payment Supplement.
Step 4 – Calculate Maximum MoPR	Result
<b>Step 4.A – Calculate 25% P&amp;I Reduction:</b>	
1. Enter the P&I portion of the Borrower’s Monthly Mortgage Payment as of the date the Payment Supplement Period begins:	\$
2. Multiply Step 4.A.1 x 25%:	\$
3. Enter the principal portion only of the Monthly Mortgage Payment as of the date the Payment Supplement Period begins:	\$
<b>Step 4.B – Determine Maximum MoPR</b>	
Enter the lesser of Step 4.A.2 or Step 4.A.3 to determine the maximum MoPR:	\$ Proceed to Step 5.
Step 5 – Calculate the MoPR	Result
<b>Step 5.A – Determine if the Borrower has sufficient PC funds available to achieve the maximum MoPR for 36 months</b>	
1. Multiply the result of Step 4.B by 36 months to determine the amount needed to provide 36 months of the maximum MoPR.	\$
2. Is the amount of PC funds available for the MoPR in Step 3.A greater than or equal to the maximum MoPR for 36 months?	If yes, the maximum MoPR calculated in Step 4.B is the MoPR for the Payment Supplement Period. Proceed to Step 6.  If no, proceed to Step 5.B.

<b>Step 5.B – If the Borrower does not have sufficient PC funds available for a maximum MoPR for 36 months (as calculated in Step 5.A.), calculate the MoPR.</b>	
Divide the amount of PC funds available for the MoPR in Step 3.A by 36.	\$ This is the MoPR for the Payment Supplement Period. Proceed to Step 6.
<b>Step 6 – Payment Reduction Test: Determine if a MoPR of no less than 5% and no less than \$20.00 can be achieved for 36 months</b>	<b>Result</b>
<b>A.</b> Divide the MoPR as determined in Step 5 by the Current P&I Payment in Step 4.A.1:	%
<b>B.</b> Is the result in Step 6.A greater than 5.00%?	<b>Yes / No</b>
<b>C.</b> Is the amount of the MoPR as determined in Step 5 equal to or greater than \$20.00?	<b>Yes / No</b>
<b>D.</b> Are the results in both Step 6.B and Step 6.C “Yes”?	<b>Yes / No</b> If yes, the Borrower is eligible for the MoPR calculated in Step 5 for the 36 months of the Payment Supplement Period. Proceed to Step 7.  If no, the Borrower is not eligible for the Payment Supplement. The Mortgagee must offer the Borrower the lowest monthly P&I payment achieved under the COVID-19 Recovery Modification; or if the P&I portion of the Borrower’s monthly Mortgage payment increases under the COVID-19 Recovery Modification and the Borrower has sufficient Partial Claim Funds for a COVID-19 Recovery Standalone Partial Claim, the Mortgagee must offer the Borrower the COVID-19 Recovery Standalone Partial Claim if the Borrower affirms that they can make the offered payment.
<b>Step 7 – Compare Savings with Available Permanent Home Retention Options</b>	
Compare the Borrower’s proposed P&I monthly payment under the Payment Supplement with the Borrower’s proposed P&I monthly payment under the COVID-19 Recovery Modification to determine the greater payment reduction.	
<ul style="list-style-type: none"> <li>• If the Borrower is able to achieve a lower P&amp;I monthly payment with the COVID-19 Recovery Modification, the Mortgagee must offer the Borrower the COVID-19 Recovery Modification.</li> <li>• If the Borrower is not able to achieve a lower P&amp;I monthly payment utilizing the COVID-19 Recovery Modification, the Mortgagee must offer the Borrower the Payment Supplement.</li> </ul>	