

Federal Reserve Bank of San Francisco
101 Market Street, San Francisco, California 94105

January 27, 2010

To State Member Banks, Bank
Holding Companies, Financial Holding
Companies, and Foreign Bank Offices
in the Twelfth Federal Reserve District

Agencies Issue Final Rule for Mortgage Loans Modified Under the Home Affordable Mortgage Program

The federal bank and thrift regulatory agencies issued a final rule on November 13, 2009 providing that mortgage loans modified under the U.S. Department of the Treasury's Home Affordable Mortgage Program (HAMP) will generally retain the risk weight appropriate to the mortgage loan prior to modification.

The agencies adopted as final their interim final rule issued on June 30, 2009, with one modification. The final rule clarifies that mortgage loans whose HAMP modifications are in the trial period, and not yet permanent, qualify for the risk-based capital treatment contained in the rule.

The final rule, issued by the Office of the Comptroller of the Currency, Board of Governors of the Federal Reserve System, Federal Deposit Insurance Corporation, and Office of Thrift Supervision, became effective December 21, 2009.

The *Federal Register* notice is attached.

Additional Information

All circulars and documents are available on the Internet through the Federal Reserve Bank of San Francisco's website, at <http://www.frbsf.org/banking/letters>.

For additional information, please contact:

Federal Reserve Bank of San Francisco
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Attachment: *Federal Register* notice: [HTML](#) | [75 KB PDF](#)