

FORMAT - MORTGAGEE APPROVAL
LETTER - PRE-CLOSING REVIEW STATUS

PURPOSE: To notify applicant mortgagees of acceptance in Direct Endorsement program on pre-closing review status.

PREPARED BY: Mortgagee Approval Specialist, with appropriate assistance from technical branches, for signature of decision maker.

Appendix 8

FORMAT

TO: Mortgagee Name
Address
Ten Digit Mortgagee Number (I.D.)

We have reviewed the qualifications of your organization and have determined that the Direct Endorsement mortgagee eligibility requirements have been met. With respect to the staff personnel you have nominated, those listed below meet the necessary requirements and have satisfactorily completed the appropriate training sessions.

NAME	EXPERTISE	CHUMS ID
_____	UNDERWRITER	_____
_____	_____	_____
_____	_____	_____

Accordingly, the office noted above is approved to submit mortgages in the Direct Endorsement program on the pre-closing review status to this HUD Field Office. During the pre-closing review period, we will perform a complete technical review of each submission. If found to be eligible, a firm commitment will be issued. This pre-closing review will include at least 15 submissions. Should these 15 submissions fail to demonstrate acceptable underwriting, the pre-closing review status will be extended. We will notify you when the pre-closing review period has been successfully completed.

HUD's receipt and review of the Quality Control Plan are solely for the purposes of determining whether the Plan addresses the Direct Endorsement program requirements. HUD's review was not for the purpose of approving the adequacy of any other provisions. Please be advised that participation in the Direct Endorsement program is a privilege accorded only to those mortgagees who have demonstrated the ability to originate mortgage loans in accordance with HUD

underwriting policy. Accordingly, should the mortgage loans submitted for Direct Endorsement indicate unsatisfactory underwriting, the privilege will be reduced or withdrawn.

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