

FORMAT - MORTGAGEE APPROVAL  
LETTER - UNCONDITIONAL APPROVAL

PURPOSE: To notify applicant mortgagees of successful completion of pre-closing review.

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

9/88

Page 1

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Appendix 9

FORMAT

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

The purpose of this letter is to inform you that the office noted above has satisfactorily completed the pre-closing review period of the Direct Endorsement program.

Accordingly, your office may now begin to underwrite and close mortgage loans without prior HUD review. Upon submission to HUD, the case will undergo a pre-endorsement review, as outlined in the Single Family Direct Endorsement Program Handbook (HUD Handbook 4000.4).

Please be advised that participation in the Direct Endorsement program is a privilege accorded only to mortgagees who continue to demonstrate the ability to originate mortgage loans in accordance with HUD underwriting policy. Some of the mortgage loans which you submit will be subject to post-endorsement technical reviews. Should the reviews indicate unsatisfactory underwriting, the privilege of participating will be reduced or withdrawn.

Mortgagees are required to notify HUD of any changes to the elements reduction in (net worth; staff underwriter, appraiser, inspector, mortgage credit examiner) upon which this approval was based.

9/88

Page 2

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