**Home Equity Reverse Mortgage Information Technology**

**(HERMIT)**

**HERMIT System Changes – Release 5.71**

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**INTRODUCTION**

The Home Equity Reverse Mortgage Information Technology (HERMIT) software release version 5.71 consists of the following system changes as follows:

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If you have any questions regarding the functionality of the software release, please contact the HERMIT Help Desk at 561-899-2610 or at servicingsupport@hermitsp.com. If you have any policy related questions, please send an email to HUD at answers@hud.gov.

# Servicer Related Changes

## 1. Modify D&P with HUD Approval Timeline step triggers (562073)

Starting on the Release date of 5.71 going forward, the step “D&P Notice Sent to Borrower” step shall be added to the D&P with HUD Approval timeline **after** the letter is uploaded as a document on step “Upload D&P Notice Sent to Borrower”.

For timelines with the “D&P Notice Sent to Borrower” step already present, the step will not be changed as a result of the 5.71 Release. If the step is already completed, the completion date will remain unchanged; and if the step is incomplete, the servicer must still complete the step with the correct completion date prior to submitting a claim to HUD.

For timelines without the step; the following must occur for the date to populate in the timeline:

1. Servicer submits D&P Request to HUD
2. HUD Approves D&P Request
3. Servicer uploads a copy of the letter to step “Upload D&P Notice Sent to Borrower”
4. Completion of the upload step will trigger the step to be added to the D&P with HUD approval timeline.

## 2. Claims Validation Update (564976)

A modification was made to the claims validation **Notice Sent to Borrower cannot be blank, please go to the Due & Payable timeline and enter the Notice Sent to Borrower completion date**. For a Claim Type 21 or Claim Type 23 with Due & Payable, the step “Notification Sent to Borrower” from the D&P w/o HUD approval timeline – or “D&P Notice Sent to Borrower” from the D&P with HUD approval timeline – will always be required for a claim to be submitted or approved by HUD on or after the release date. Previously the step was required only in certain situations.

## 3. Claims Detail Report changes (566970)

The following changes have been made to the Claims Detail Report:

1. Existing field “Curtailment Date” field was renamed to “Self Curtail Date”. The logic for this field has not changed, it still displays the Block 31 Self-Curtailment date only.
2. New field “Curtailed” was added to the report. The field values are NO, YES, and N/A.

The field “Debenture Interest To Date” (Deb In To Date) reflects the last date DBI was paid. When a claim is curtailed, “Debenture Interest To Date” is considered the date of curtailment.

## 4. HERMIT Auto Curtailment Rule Changes

The changes made to curtailment logic are:

1. Claims will not be curtailed going forward if Notification Sent to Borrower of D&P is before the Due Date
2. Eviction Curtailment logic has been suspended and will not be used as a basis for curtailing claims until further notice.

### 4.1 Curtailment for Notification Sent to Borrower of D&P (562073)

Going forward the claim will not be curtailed for the letter being sent “early”.

**Updated Rules:**

**For D&P with HUD Approval**, HERMIT will auto-curtail Claim Type 21 or Claim Type 23 if “D&P Notice Sent to Borrower” step is not completed within 30 days of HUD’s D&P approval. If curtailed for this reason HERMIT will set the Debenture Interest End Date to the "HUD Decision - Approved" Step Completion Date + 30 Days.

**For D&P w/o HUD Approval**, HERMIT will auto-curtail Claim Type 21 or Claim Type 23 if “Notification Sent to Borrower” step is not completed within 30 days of the Due Date. If curtailed for this reason HERMIT will set the Debenture Interest End Date to the D&P w/o HUD Approval Timeline “Create Date” + 30 Days.

**Effective Date:** This curtailment rule only applies to loans with a Due Date on or after 7/1/15, (effective date of ML 2015-10).

### 4.2 Curtailment Eviction (565504)

For claims approved on or after the release date, the Eviction curtailment event has been inactivated.

# NSC Related Changes

## 5. An update was made to the “HUD NSC Contractor - Default” security permission (539334)

HUD NSC Contractor - Default users will be able to access and edit property information.

## 6. Restrict HUD Contractor from editing Cust Care Req Date if FHA Mort # is NOT 900000 (546324)

HUD Contractors will be able to edit Custodial Care Request Date only for loans where servicer is NOVAD Management Consulting LLC (FHA Mortgagee # 9999909990).

HUD Contractors will not be able to edit Custodial Care Request Date for loans where servicer is NOT NOVAD Management Consulting LLC (FHA Mortgagee # 9999909990).

## 7. Configuration - Update Permissions for HUD Read Only Role (535964)

HUD Read Only users will be able to access Bank Account page - left menu (Read Only) .

HUD Read Only users will be able to access Assigned/Claims Timelines search page - top menu (Read Only).

HUD Read Only users will be able to access Servicing Management Page for Assigned -> Foreclosure timeline (Read Only).

## 8. Add a security permission for HUD Advance and/or Repurchase receivables (565471)

A new permission called 'Accounting.Authorizations.CanAuthorize' which will be assigned to the roles Servicer Manager and HUD NSC Manager. Only these 2 roles will be able to 'Approve' a Repurchase or HUD Advance receivables.