



ASSISTANT SECRETARY FOR HOUSING  
FEDERAL HOUSING COMMISSIONER

**Date: October 21, 2020**

**Mortgagee Letter 2020-35**

**To:** All FHA-Approved Mortgagees  
All Direct Endorsement Underwriters  
All Eligible Submission Sources for Condominium Project Approvals  
All FHA Roster Appraisers  
All FHA-Approved 203(k) Consultants  
All HUD-Approved Housing Counselors  
All HUD-Approved Nonprofit Organizations  
All Governmental Entity Participants  
All Real Estate Brokers  
All Closing Agents

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**Subject** FHA Catalyst: Single Family Origination Module – Automated Underwriting System

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**Purpose** This Mortgagee Letter (ML) announces additional functionality in FHA Catalyst for FHA Title II Single Family Forward Mortgage programs. The FHA Catalyst: Single Family Origination Module – Automated Underwriting System (AUS) will enable Mortgagees' loan origination systems (LOS) to be integrated with FHA Catalyst. Loan applications will be scored against FHA's Technology Open To Approved Lenders (TOTAL) Mortgage Scorecard. Mortgagees will receive scoring decisions and feedback certificates.

Mortgagee use of the FHA Catalyst: Single Family Origination Module - AUS is optional. The existing pathways will remain available.

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**Effective Date** Mortgagees may begin using the FHA Catalyst: Single Family Origination Module – AUS for FHA Title II Single Family Forward Mortgage programs on October 30, 2020.

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**Public Feedback** HUD welcomes feedback from interested parties for a period of 30 calendar days from the date of issuance. To provide feedback on this document, please send feedback to the FHA Resource Center at [answers@hud.gov](mailto:answers@hud.gov). HUD will consider the feedback in determining the need for future updates.

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## Mortgagee Letter 2020-35, Continued

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### **Affected Programs**

This guidance applies to FHA Title II Single Family Forward Mortgage programs. The Home Equity Conversion Mortgage (HECM) program is not affected at this time.

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### **Background**

As part of FHA's information technology modernization initiative, FHA has developed the automated underwriting functionality pathway in FHA Catalyst as an alternative AUS for the submission of a Uniform Loan Application Dataset (ULAD) in the redesigned Uniform Residential Loan Application (URLA) to access the FHA TOTAL Mortgage Scorecard for FHA Title II Single Family Forward Mortgage programs. Mortgagee LOS will be integrated with the FHA Catalyst: Single Family Origination Module – AUS. The Mortgagee will complete the loan application in its LOS and submit it to the FHA Catalyst: Single Family Origination Module -- AUS, which will obtain credit report information from the Mortgagee's credit vendor. After the ULAD and credit report information is obtained, the FHA Catalyst: Single Family Origination Module -- AUS will score the loan application using the TOTAL Mortgage Scorecard. Once the loan application is scored, the Mortgagee will receive the scoring decision and feedback certificate.

The FHA Catalyst cloud-based platform will serve as a centralized location for program participants to do business with FHA. FHA continues to develop additional functionalities on this platform to address all aspects of FHA mortgage insurance operations.

Mortgagees remain responsible for ensuring that they continue to comply with all applicable FHA requirements and standards.

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### **Platform Access**

To begin using the FHA Catalyst: Single Family Origination Module – AUS, Mortgagees must request access and receive onboarding information by contacting the FHA Resource Center at [answers@hud.gov](mailto:answers@hud.gov) or 1-800-CALL FHA (1-800-225-5342).

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## Mortgagee Letter 2020-35, Continued

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### **Integration Guides and Training**

The FHA Catalyst: Single Family Origination Module – AUS [Integration Guide](#) provides instructions for Mortgagee LOS vendors to connect with the FHA Catalyst: Single Family Origination Module -- AUS and send loan application data for risk and eligibility evaluation as well as retrieve feedback. To obtain a copy of this guide, contact the FHA Resource Center at 1-800-CALL-FHA. Persons with hearing or speech impairments may reach this number by calling the Federal Relay Service at 1-800-877-8339.

Access the FHA Catalyst webpage at <https://fha.gov/fha-catalyst.html> for additional resources, including a pre-recorded webinar and frequently asked questions (Q&As) for Mortgagees and vendors.

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### **Summary**

HUD is establishing a new pathway for forward mortgages through an AUS module in FHA Catalyst. The existing pathways will remain available.

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### **Paperwork Reduction Act**

The information collection requirements contained in this document have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and assigned OMB Control Number 2502-0059. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB Control Number.

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### **Questions**

Any questions regarding this Mortgagee Letter may be directed to the FHA Resource Center at 1-800-CALL-FHA. Persons with hearing or speech impairments may reach this number by calling the Federal Relay Service at 1-800-877-8339. For additional information on this Mortgagee Letter, please visit [www.hud.gov/answers](http://www.hud.gov/answers).

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### **Signature**

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