Mortgagee Letter 2021-30

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

Subject: Delay of Effective Date of Mortgagee Letter 2021-21, FHA Catalyst: Single Family Default Monitoring System (SFDMS) Reporting Module, and associated changes to the Single Family Default Monitoring System (SFDMS) Reporting Codes and Reporting Data Elements

Purpose: The purpose of this Mortgagee Letter is to delay the Effective Dates in Mortgagee Letter 2021-21, FHA Catalyst: Single Family Default Monitoring System (SFDMS) Reporting Module and for the associated changes to the Single Family Default Monitoring System (SFDMS) Reporting Codes and Reporting Data Elements.

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 policy document, please send feedback to the FHA Resource Center at answers@hud.gov. HUD will consider the feedback in determining the need for future updates.

Background: On September 13, 2021, HUD announced the transition of FHA’s SFDMS from FHA Connection (FHAC) to the FHA Catalyst: SFDMS Reporting Module. This is part of an FHA-wide transition of systems to the FHA Catalyst platform, including for case binder electronic endorsement submissions, supplemental claims, loss mitigation home retention claims, post-endorsement loan reviews, electronic appraisal delivery, reacquisition
claims, automated underwriting, disposition claims, and collection of the Uniform Closing Dataset. FHA also published supporting updates to the Single Family Housing Policy Handbook 4000.1 and the Single Family Default Monitoring System (SFDMS) Reporting Codes and Reporting Data Elements.

HUD is now delaying the Effective Dates for implementation of the FHA Catalyst: SFDMS Reporting Module as provided in Mortgagee Letter 2021-21. Mortgagees must continue to report mortgages in default in FHAC until the transition. The FHA Catalyst: SFDMS Reporting Module will not be available before the transition.

HUD will publish a future Mortgagee Letter at least 60 days prior to the transition of the Single Family Default Monitoring System from FHAC to FHA Catalyst: SFDMS Reporting Module announcing new Effective Dates, as well as an updated Effective Date for the associated changes to the Single Family Default Monitoring System (SFDMS) Reporting Codes and Reporting Data Elements.

**Delay of Effective Dates for Mortgagee Letter 2021-21**

HUD is delaying the Effective Dates in Mortgagee Letter 2021-21, FHA Catalyst: Single Family Default Monitoring System (SFDMS) Reporting Module. HUD is also delaying the Effective Date for the addition of the Default Reporting Error Codes and Default Reporting Elements to the Single Family Default Monitoring System (SFDMS) Reporting Codes and Reporting Data Elements.

**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 numbers 2502-0005; 2502-0059; 2502-0117; 2502-0189; 2502-0302; 2502-0306; 2502-0322; 2502-0358; 2502-0404; 2502-0414; 2502-0429; 2502-0494; 2502-0496; 2502-0525; 2502-0527; 2502-0538; 2502-0540; 2502-0556; 2502-0561; 2502-0566; 2502-0570; 2502-0583; 2502-0584; 2502-0589; 2502-0595; 2502-0600; and 2502-0610. 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.
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.

Signature

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   Office of Housing – Federal Housing Administration