Federal Housing Administration
Loan Review System (LRS)
Lender User Manual

U.S. Department of Housing and Urban Development
Document Control

Revision History

<table>
<thead>
<tr>
<th>Version</th>
<th>Author</th>
<th>Date</th>
<th>Revision</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.0</td>
<td></td>
<td>05/15/2017</td>
<td>LRS 1.0 Functionality</td>
</tr>
<tr>
<td>1.1</td>
<td></td>
<td>07/11/2018</td>
<td>Functionality updates since LRS 1.0</td>
</tr>
</tbody>
</table>
# Table of Contents

**Introduction** .......................................................................................................................... 4  
  Overview ................................................................................................................................. 4  
  System Access .......................................................................................................................... 4  
  User Roles ............................................................................................................................... 4  
  Administrative Contact ........................................................................................................... 4  
  Troubleshooting Access Errors ............................................................................................... 4  
  General Screen Display/Navigation ......................................................................................... 5  
  PRA Info/OMB Control Numbers .......................................................................................... 5  

1. **Active Reviews** .................................................................................................................. 6  
   1.A Managing Active Reviews ............................................................................................... 6  
   1.B Responding to Findings – Initial Review Level ............................................................... 10  
   1.C Responding to Findings – Mitigation/Escalation Levels ................................................ 14  
   1.D Batch Management ........................................................................................................ 15  
   1.E Indemnification ................................................................................................................ 21  

2. **Advanced Search** ............................................................................................................. 24  

3. **Binder Request** ................................................................................................................ 28  

4. **Create Self-Report** ........................................................................................................ 29  

5. **Completed Reviews** ......................................................................................................... 34  

6. **Reports** ........................................................................................................................... 36  
   6.A Accessing Reports .......................................................................................................... 36  
   6.B Launching Pre-Built Reports .......................................................................................... 38  
   6.C Downloadable Data ........................................................................................................ 42  
   6.D MicroStrategy Help ......................................................................................................... 46  

**Table of Figures** .................................................................................................................... 48
Introduction

Overview
The Loan Review System (LRS) is the electronic platform for Federal Housing Administration (FHA) Title II Single Family quality control processes, including:

- Various Post-Endorsement Loan Reviews
- Unconditional Direct Endorsement Authority Test Cases
- Lender Monitoring Reviews
- Lender Self-Reporting of Fraud and Other Material Findings

System Access
All users access LRS through FHA Connection (FHAC). Lender personnel must be registered to receive an M-ID (Mortgagee ID), which allows access to functions specific to each lender. For information on registering new users in FHAC, please reference the FHA Connection Guide at https://entp.hud.gov/idapp/html/mrtg-pkg.cfm.

User Roles
Each institution’s FHAC Application Coordinator must grant specific LRS authorizations for user IDs using the Loan Review System section of the FHAC ID Administration screen. LRS has three user roles that may be assigned to lenders, each with different access levels and authority to perform specific functions:

- **Read Only**: Provides access to the Active Reviews, Completed Reviews and Reports menu items. Users with this role can view detailed review results, but they cannot edit or submit responses, upload documents, manage binder requests or create self-reports.
- **Response Submission**: Provides access to the Active Reviews, Binder Request, Create Self-Report, Completed Reviews and Reports menu items. Users with this role can view detailed review results, edit and submit responses to review findings, upload documents and/or create self-reports.
- **Indemnification Submission**: Provides access to all functions included in the Response Submission role and allows the user to electronically sign and submit Indemnification Agreements in response to unacceptable findings. Users with this role must have the authority to legally bind the institution.

Administrative Contact
Each lender’s designated Administrative Contact, as recorded in the Lender Electronic Assessment Portal (LEAP), will receive daily email notifications summarizing any new LRS response requests. The Administrative Contact should also be able to respond to any LRS-related inquiries from FHA, either directly or by forwarding them to the appropriate party.

Troubleshooting Access Errors
If you receive an error message while attempting to access LRS, check each of the following:

- Ask your FHAC Application Coordinator to ensure that you have the correct LRS authorizations for the function you are attempting to complete.
- Make sure you are using a supported browser (Explorer v11.0 or higher, Google Chrome, Mozilla Firefox).
- Make sure the web address (URL) is displaying “https” and not the unsecured “http” prefix.
- If you still encounter errors, capture screen shots of any error messages and contact the FHA Resource Center – email answers@hud.gov or telephone 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.
- Be prepared to provide the time and date of your attempted log-in, your browser type and version, your user ID (M-ID), your five-digit FHA Lender ID and your institution name.
General Screen Display/Navigation

The main Navigation header is displayed across the top of the screen at all times. You may click on any of the menu items to navigate through various LRS functions.

Note: Press the Home button on the keyboard to return to the top of any screen.

PRA Info/OMB Control Numbers

Information about the Paperwork Reduction Act (PRA) and Office of Management and Budget (OMB) Control Numbers related to information collected in LRS can be accessed via a hyperlink located on the left sidebar on every screen.

![Figure 1: PRA Info/OMB Control Numbers](image)

The information collection requirements contained in this system have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3521) and assigned OMB control numbers 2500-0080, 2500-0079, and 2500-0078. In accordance with the Paperwork Reduction Act, HMDA 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.
1. Active Reviews

1.A Managing Active Reviews

From the Navigation Header, click on **Active Reviews** to view any open **Response Requests** and loans **Under Review by FHA**. In addition to monitoring LRS email notifications, lenders should check the **Active Reviews** screen on a regular basis.

**Requests Tab**

1. The **Requests** tab on the left sidebar is automatically selected on the **Active Reviews** screen.

**Filter Response Requests**

1. Select a **Review Deadline**, **Last Action By**, **Review Level**, **Selection Reason**, or **Batch Members** filter on the left sidebar to view only those reviews that relate to that filter option. (Response Requests that are due today will be highlighted in Yellow)

   **Note:** If a response is not submitted to FHA by the stated due date, then the lender’s opportunity to respond at that review level will expire. LRS will automatically close the Response Request and assign the review back to FHA. Once FHA has completed its review, LRS will open a new Response Request at the next level. See below for additional information about review levels.

2. Select the **Show All** option to remove all filters and view all reviews.

   **Note:** Filter options will only be displayed for reviews that are currently applicable to the **Requests** tab (e.g., if there are no Response Requests due today, no “Due Today” filter will be shown on the left sidebar).

**Case Number Search**

1. The **Case Number Search** allows you to search for a specific case. As you type a case number, a list will populate below which will be refined automatically as additional numbers are typed.

2. Click the case number you are searching for in the **Case Number Search** list or click Enter once you have entered the case number, and the **Response Requests** and **Under Review by FHA** will filter to only show the review(s) associated with that case number.
Figure 2: Active Reviews – Requests tab

Hide/Expand Response Requests and Under Review by FHA sections

1. Click on the carrot to the left of the Response Requests section to collapse and expand the active Response Requests assigned to you.

2. Click on the carrot to the left of the Under Review by FHA section to display the list of cases that FHA is currently reviewing.

Note: The Response Requests and Under Review by FHA sections only show 10 reviews at a time. A page count will show up at the top and bottom of the list if there are more than 10 reviews in a section. Click the Next or Previous link to see the next page of reviews. All filters, including the case number search, will search all active reviews, even if they do not currently appear on the screen.
**Batches Tab**

1. Click the **Batches** tab to view a list of active batches. For more information, see section 1.G, *Batch Management*.

![](image.png)

*Figure 3: Active Reviews – Batches Tab*

**Opening a Response Request/Loan Under Review by FHA**

1. Click on the case number hyperlink in the *Response Requests* section to open a review and submit a response. See section 1.B *Responding to Findings – Initial Review Level* for more details.

2. Click on the case number hyperlink in the *Under Review by FHA* section to open a review in read-only mode.

   **Note:** When opening a case that FHA is currently reviewing, you will be able to see a history of findings as of your last response, including FHA comments. For cases under review the Initial level, no findings or comments will appear.
**Review Levels**

This user manual refers to various review levels in LRS. Lenders have a total of four opportunities to respond to FHA-initiated reviews: *Initial, Mitigation 1, Escalation 1, and Headquarters Escalation 1*. Other levels may be visible to lenders when the loan is under review by FHA or when viewing the history for any given finding, but they are for FHA’s internal escalation processes only.

When FHA requests a response to unacceptable findings, LRS displays a due date based on the timeframe for each review level. If a lender fails to respond by the due date, the review advances to the next level, resulting in the loss of one lender response opportunity.

*Any response is better than no response*. If lenders are unable to submit a complete response by the due date, they should provide a brief explanation for the delay and submit it to FHA. Although due dates cannot be reset extended, this type of response may allow FHA to mitigate other findings or manage escalation decisions.

The following table provides a description of each review level when a case is listed as either *Under Review by FHA* or as a *Response Request*. Timeframes (in calendar days) are included for each *Response Request*.

<table>
<thead>
<tr>
<th>Review Level</th>
<th>Under Review by FHA</th>
<th>Response Request</th>
</tr>
</thead>
<tbody>
<tr>
<td>Initial</td>
<td>FHA’s initial review</td>
<td>Lender’s first opportunity to resolve (15 days)</td>
</tr>
<tr>
<td>Mitigation 1</td>
<td>Review of lender’s initial response</td>
<td>Lender’s second opportunity to resolve (5 days)</td>
</tr>
<tr>
<td>Mitigation 2</td>
<td>Review of lender’s Mitigation 1 response</td>
<td>N/A</td>
</tr>
<tr>
<td>Escalation 1</td>
<td>Confirmation of Mitigation 2 decision</td>
<td>Lender’s third opportunity to resolve (10 days)</td>
</tr>
<tr>
<td>Escalation 2</td>
<td>Review of lender’s Escalation 1 response</td>
<td>N/A</td>
</tr>
<tr>
<td>HQ Escalation 1</td>
<td>Confirmation of Escalation 2 decision</td>
<td>Lender’s fourth (final) opportunity to resolve (10 days)</td>
</tr>
<tr>
<td>HQ Escalation 2</td>
<td>Review of lender’s HQ Escalation 1 response</td>
<td>N/A</td>
</tr>
<tr>
<td>Indemnification 1</td>
<td>Review of signed Indemnification from lender</td>
<td>N/A</td>
</tr>
<tr>
<td>Indemnification 2</td>
<td>Review of signed Indemnification from lender</td>
<td>N/A</td>
</tr>
</tbody>
</table>

*Note:* Although Indemnification levels are listed last, they may occur at any time after the Initial level is completed. An Indemnification level is triggered whenever the lender responds to unacceptable findings with an electronically signed Indemnification Agreement.
1. B Responding to Findings – Initial Review Level

**Findings Overview**

1. When you select a case number from the *Response Request* section of the *Active Reviews* screen, the *Findings Overview* screen opens with the *Review Data* tab selected on the left sidebar.

![Findings Overview](image)

*Figure 4: Findings Overview – Review Data Tab*

**Note:** If the Selection Reason for the loan review is Lender Self-Report, then the Review Data tab will include the information that the reporting lender submitted on the LRS Self-Report screen.

![Findings Overview](image)

*Figure 5: Findings Overview – Review Data Tab (Lender Self-Report)*
2. Click either the **Findings** tab on the left side bar, or the **Address Findings** button on the **Findings Overview** screen to begin responding to unacceptable findings.

   **Note:** The **Complete Wrap-up** button on the **Findings Overview** screen will be grayed out until a response has been provided for **every** unacceptable finding.

Only unacceptable findings (Tier 1 or 2 severity) require a response. Deficient findings (Tier 3 or 4) are logged, but no response is accepted.
Address Findings

1. Click the carrot to the left of each defect area in the left sidebar to expand the section.
2. Click on a specific finding code within each defect area to view details.
   
   **Note:** LRS does not accept responses to deficient findings.
3. For all unacceptable findings, enter a response in the *Lender Response to FHA* text box. This text box will accept a maximum of 2000 characters.
4. Click the *Choose File* button to upload a response document. LRS will accept .JPG, .TIFF, and .PDF formats up to 64 megabytes. Click the trash can icon to the right of a response document to remove it from the finding.
5. Click the *Select Previously Uploaded Document* drop-down to associate a previously uploaded response document with this finding.
6. Click the *Save Response* button. The *Save Response* button will not be active until either a text description is provided in the *Lender Response to FHA* text box or a *Response Document* is uploaded.
   
   **Note:** At any point during a response, users with the “Indemnification Submission” role can view and electronically sign an Indemnification Agreement in lieu of other response types. See section 1E – *Indemnification* for additional details.

7. Complete steps 1-6 for every unacceptable finding.
   
   **Note:** You may click the *Findings Overview* button at any time to return to the main screen.
8. Once all unacceptable findings have a response (either a text description is provided in the Lender Response to FHA text box or a Response Document is uploaded), the Complete Wrap-Up button will become active.

9. Click the Complete Wrap-Up button and confirm that you want to submit your responses to FHA. The case will move from Response Requests to the Under Review by FHA section on the Active Reviews screen and will automatically advance to the next review level.

**Figure 8: Findings Overview – Complete Wrap Up Enabled**

**Figure 9: Findings Overview – Confirm Review Level Submit**

**Note:** Even if you have responded to all unacceptable findings, the responses are not submitted to FHA until the Wrap-Up step is completed. Failure to submit responses may result in missed due dates and the loss of response opportunities. Always check the Active Reviews screen after submitting a response; if a review still appears in the Response Requests section, then the response has not yet been submitted to FHA.
1.C Responding to Findings – Mitigation/Escalation Levels

The process for responding to unacceptable findings is the same at all review levels. See section 1.B Responding to Findings – Initial Review Level for step-by-step instructions.

Each finding will display the history of all previous review levels, including FHA’s finding descriptions, your written responses and any Response Documents uploaded at each level.

Note: FHA may force the escalation of a review if it determines that additional lender responses are unlikely or unnecessary. In these cases, all applicable findings will display the following text: Review Level not completed due to Forced Escalation by FHA.
1.D Batch Management

Batches consist of multiple reviews grouped together for a single lender. Loan reviews that are part of a batch will not move to the next Review Level until the current level is complete for all loans.

A batch may include an institution-level Operational Review as a part of the Lender Monitoring process and in other special cases. For each individual review (loan or operational), the process for responding to findings is consistent with the process on a single loan review.

Open a Batch

1. Click on the Batches tab from the left sidebar.
2. Click a Batch ID from the left sidebar.

Submit Operational Documents

1. Click the Choose File button to upload an operational document.
2. Click the trash can icon to remove a document prior to submission.
3. Click the Submit Documents button.

Note: This function will only be available if FHA has requested operational documents for the review.

Figure 11: Operational Documents Requested
Operational Review

1. Click the View/Edit hyperlink to view the Operational Review.

Note: Operational Reviews can be accessed through both the Active Reviews and Batches screens.
Loan Reviews – Awaiting Lender Response (Initial)

1. Click on the hyperlink next to each case number in the Loan Reviews – Awaiting Lender Response section to review results of FHA’s review.

![Batch Summary Screen](image1)

**Figure 14: Batch Summary Screen**


![Case Associated with a Batch – Unacceptable Finding](image2)

**Figure 15: Case Associated with a Batch – Unacceptable Finding**
3. Return to the **Batch Summary** screen by clicking on the *Go to Batch Summary* link on the *Review Data* tab.

![Figure 16: Case Associated with a Batch – Findings Overview](image)

**Note:** There is no *Complete Wrap-up* button on individual reviews in a batch.

4. Complete responses for all cases in the batch that have unacceptable findings.

**Note:** There are progress indicators next to each case that requires a response. An empty circle indicates that no responses have been completed on the case; half full indicates that some responses have been completed; full circles indicate that all responses have been completed on the case.

![Figure 17: Batch Summary Screen – Progress Indicators](image)
5. Click the **Submit Batch** button to send to FHA for review.

   **Note:** The **Submit Batch** button will be inactive until all unacceptable findings for all reviews in the batch have a response. Operational Review responses can be submitted to FHA without batch submission, and responses to loan-level findings in a batch can be submitted without the Operational Review being completed.

![Batch Summary Screen](image)

**Figure 18: Batch Summary Screen – Submit Batch Active**

6. Once you click the **Submit Batch** button, the header will change from *Loan Reviews – Awaiting Lender Response* to simply *Loan Reviews*. This indicates that FHA is currently reviewing the responses.
Review Batches – Awaiting Lender Response (Mitigation/Escalation)

1. After FHA reviews your initial responses, any additional response requests will be sent to you at the same time. When clicking on the Batches tab, you will see the loans in the Loan Reviews section with updated ratings and/or finding information. You will also see that the circles next to those cases are now empty again, indicating that a response is required.

![Batch Summary Screen at Mitigation 1](image)

Figure 19: Batch Summary Screen at Mitigation 1

2. Follow steps 1-6 above in the Review Batches – Awaiting Lender Response (Initial) section above.

Note: The same pattern will continue for the typical lifecycle of a single loan review.
1.E Indemnification

At any point during a response, users with the “Indemnification Submission” role can view and electronically sign an Indemnification Agreement by following the steps below.

**Sign an Indemnification**

1. Click the **Indemnification** button in the top right of the screen.

![Figure 20: Indemnification Button](image)

2. Review the Indemnification Agreement.

![Figure 21: Indemnification Agreement](image)
3. To sign the Indemnification Agreement, click the e-Sign Indemnification button. Once you click the e-Sign Indemnification button, your name will appear on the signature line along with the date. LRS will also capture your user ID (M-ID) as part of the e-Signature record.

![Image of the Loan Review System interface showing the e-Signed Indemnification Agreement]

**Figure 22: E-Signed Indemnification Agreement**

**Note:** Manually signed indemnification agreement are not accepted except in rare cases when FHA has requested indemnification outside of LRS. In order to prevent lenders from printing and manually signing LRS Indemnification Agreements, the Download PDF button is only available after the e-signature has been completed. You may use this button to download a PDF version of the Indemnification Agreement for your records, but this is an optional step. The final FHA Indemnification Agreement with FHA signature will be accessible via the Completed Reviews screen. See section 5. Completed Reviews for more information.

4. Click the Cancel button to return to the Findings Overview screen. This will stop the indemnification process and will allow you to continue to respond to individual findings.

5. Click the Save Response button to save the Indemnification Agreement with your signature.
6. Click the *Confirm* button on the **Confirm Indemnification** pop-up to submit the Indemnification Agreement to FHA or the *Cancel* button to return back to the Indemnification Agreement with no actions taken.

![Figure 23: Confirm Indemnification Pop-Up](image)

**Note:** FHA will review the Indemnification Agreement and has the option to either accept or reject it. If the indemnification is accepted, it will be shown on the **Completed Reviews** tab. See section 5. **Completed Reviews** for more information. A rejected Indemnification Agreement will require further actions and will be returned as a new Response Request at the next review level in sequence.

8. Once FHA executes the Indemnification Agreement, all open unacceptable findings will be updated to a rating of Remediated.
2. Advanced Search

**Search by Case Number(s)**

1. From the Navigation Header, select **Search** to view the Advanced Search function. Only case numbers associated with your Lender ID that have a selection or review record in LRS will be returned in search results.

2. Click the **Search Fields** drop-down to determine the search execution criteria. There are two options in the Search Fields drop-down that include the ability to search via Case Number(s) or Batch ID(s). Choose the Case Number(s) option in the drop-down.

3. Enter the desired case number(s) into the **Search Fields** text box.
   
   *Note:* You can paste a list of cases from a document or other file to select multiple cases at once. LRS allows case numbers in the format of XXX-XXXXXXXX or XXXXXXXXXXXX and each case number should be separated by line breaks or commas. The **Search Fields** text box has a limit of 2,000 characters (approximately 165 cases using the XXX-XXXXXXXX format). Any characters entered over the limit will not be captured and will need to be entered in a separate search.

4. Click the **Clear** button to clear the text box of all contents.

5. Click the **Search** button to execute the search criteria.

*Figure 24: Advanced Search – Case Number Input*
Note: The executed search is sorted by Selection Date and can be resorted using other columns. Cases associated with eCase Binders will have a yellow lightning bolt next to the case number.

6. Select a combination of Product Type, Selection Reason, Selection Status, Review Type, Review Level, Review Status, or Review Location filters from the left sidebar.

Note: Filter options will only be displayed for cases that are currently applicable to the search. (e.g., if there are no loan reviews at the HQ Escalation level, no “HQ Escalation” filter will be shown in the Review Level section).
7. To remove a specific filter, click that option again. To remove all filters, click Show All.

8. Click a column header to resort the search results.

9. Click the Export button to download a CSV file of the search results. The CSV file will only include case numbers that are currently shown on the screen – if the Export button is clicked with filters applied, only case numbers in the filtered list will be exported into the CSV file.

10. Click a case number hyperlink to be taken to a loan review.

   **Note:** Only loan reviews that have been assigned to an FHA reviewer (or were assigned in the past) will have a hyperlink. Loan selections and binder requests that have not been received by FHA will be included in the search results, but will not have a hyperlink since the review record has not yet been created.

11. Click a Batch ID hyperlink to be taken to the **Batch Summary** screen.
**Search by Batch ID(s)**

1. Choose the *Batch ID(s)* option in the *Search Fields* drop-down.

2. Enter the desired Batch ID(s) into the text box.

   **Note:** LRS only allows Batch IDs in the format of XXXXX-XXXX-XXX and each Batch ID should be separated by line breaks or commas. The text box has a limit of 2,000 characters (approximately 130 Batch IDs). Any characters entered over the limit will not be captured and will need to be entered in a separate search.

3. Click the *Clear* button to clear the text box of all contents.

4. Click the *Search* button to execute the search criteria. The search will return all case numbers associated with the Batch ID(s) selected.

5. Select filters, sort by column headers and/or export search results as described in the *Search by Case Number(s)* section.

6. Click a case number to be taken to a loan review or a *View/Edit* hyperlink to be taken to an operational review.

7. Click a Batch ID hyperlink to be taken to the **Batch Summary** screen.
3. Binder Request

**View Binder Requests**

1. Select **Binder Request** from the main Navigation header.
2. Click a filter from the left sidebar to filter cases with different due dates. To remove all filters, click **Show All**.
   **Note:** Filter options will only be displayed for information that is currently applicable to the **Binder Request** screen (e.g., if there are no binders due today, that filter will not be displayed).
3. If you want to capture a shipping date, click the calendar icon in the **Date Sent** column and enter the date that the case was sent to FHA. If a selection is made in the **Date Sent** column, the **Status** will update to “Shipped”.
   **Note:** These are optional fields for your own tracking purposes – they are not seen or used by FHA.

![Binder Request - Date Sent Calendar](image)

*Figure 28: Binder Request – Date Sent Calendar*

**Note:** LRS does not accept eCase Binders directly. Lenders with approval to submit eCase Binders must continue to submit them by following the instructions in FHA’s *Electronic Case Binder Developer’s Guide*.

Binder requests stay open in LRS until receipt is confirmed by the designated review location. LRS receipt typically does not occur on the same day as the binder is logged into FHA Connection (FHAC). When eCase Binders are received in FHAC, they are automatically confirmed in LRS the next business day. Paper binders received by the Homeownership Center (HOC) mailroom must still be manually confirmed in LRS by HOC staff.

Once binder receipt has been confirmed in LRS, the date will be displayed in the **Date Received** column and the **Status** will update to “Received”. Cases will remain on the **Binder Request** screen for 5 calendar days after being received.
4. Create Self-Report

Lenders must self-report cases to FHA in accordance with HUD’s Single Family Housing Policy Handbook 4000.1. Any lender with access to LRS can report any endorsed case.

Add Case(s) to Self-Report

1. Select Create Self-Report from the main Navigation header to open the Add Case(s) to Self-Report screen.

2. Choose a Review Type that corresponds to the issue you are self-reporting.

   **Note:** Choose Underwriting for issues that occurred at loan origination. Choose Servicing for any issues related to servicing or loss mitigation, including loan modifications.

3. Enter a case number, or multiple case numbers, in the Enter Case Number(s) field.

   **Note:** You can paste a list of cases from a document or other file to select multiple cases at once. Case numbers should be separated by line breaks or commas.

4. Click the Add button.

   **Note:** If the case entered is currently Under Review or Pending Review, an error/warning message will be shown. These cases cannot be submitted as Self-Reports until the active review is complete. You may contact the FHA Resource Center to notify FHA that you were attempting to self-report a case, but were unable to do so because of an active LRS review.
5. To remove a case from the list, click the trash can icon to the left of a case number. You may also click the *Clear* button near the bottom of the screen to remove all cases and information.
6. Click *Confirm* on the **Please Confirm** pop-up to complete the removal. Click *Cancel* to return to the **Add Case(s) to Self-Report** screen with no actions taken.

![Image of the Loan Review System interface showing the Please Confirm pop-up](image.png)

*Figure 31: Add Cases to Self-Report – Remove Cases Confirmation Pop-Up*

7. Once you are sure that the correct cases are listed for your Self-Report, click the *Next Step* button near the bottom of the screen.
Add Case Details

1. Select the most appropriate category or multiple categories under the Defect Areas section.

![Add Case Details Screen](image)

**Figure 32: Add Case Details Screen**

2. If fraud has been detected for the selected case(s), use the drop-down menu to select the Type of Fraud and Fraud Participants.

![Add Case Details – Fraud Participants Drop-Down](image)

**Figure 33: Add Case Details – Fraud Participants Drop-Down**
3. Enter any pertinent information in the Findings and Corrective Actions text boxes.

4. If applicable, click the Loan Covered Under Settlement with HUD checkbox.

5. Click the Clear button to clear all information from the Add Case Details screen and return to the Add Cases to Self-Report screen.

6. Click the Submit button to submit all information to FHA.

7. Click the OK button on the Submission Successful pop-up.

![Image](image.png)

**Figure 34: Add Case Details – Submission Successful Pop-Up**

**Note:** FHA does not always initiate the review of self-reported case(s) immediately. You can confirm submission by using the Reports function to access the Lender Self-Report List. New cases and self-reported information will appear on this list one business day after they are submitted. See section 6. Reports for more information.

Once FHA initiates the review, subsequent actions depend on the Review Type selected:

For Underwriting reviews, LRS will automatically initiate an endorsement binder request from the underwriting lender (for LI cases) or from FHA’s record center. Once the binder is received, the case will be assigned to a reviewer and will be visible on the Active Reviews screen for the underwriting lender of record, who will be responsible for responding to any review findings.

For Servicing reviews, the case will be displayed on the Binder Request screen for the servicer of record. However, there will be no automatic binder request. If servicing documentation is needed prior to the review, FHA will email the lender’s Administrative Contact to request specific documentation. Once documentation is received (if needed), the case will be assigned to a reviewer and will be visible on the Active Reviews screen for the servicing lender, who will be responsible for responding to any review findings.

All information submitted in the self-report will be provided to the FHA reviewer.
5. Completed Reviews

View Completed Reviews

1. Select the Completed Reviews tab from the main Navigation header – the Reviews tab in the left sidebar will open by default.

2. Click a Loan Rating, Review Level, or Selection Reason filter to filter the list of Completed Reviews.

   Note: Filter options will only be displayed for reviews that are applicable to the Completed Reviews tab (e.g., if no loan reviews were completed at an Escalation review level, Escalation will not be shown on the left sidebar).

3. Click the Case Number hyperlink to view a read-only version of a previously completed review, including all findings and responses.

   Figure 35: Completed Reviews – Reviews Tab

   Figure 36: Findings Overview for a Read-Only Completed Review
View Completed Reviews: Batches

1. Click on the Batches tab in the left sidebar.

2. Click a Batch ID from the left sidebar to view the details for a completed batch.

   Note: Only batches where all loan reviews in the batch have been completed will be shown.

3. Click the Case Number hyperlink to view a read-only version of a previously completed review, including a view into all findings and responses.
6. Reports

LRS uses a commercial-off-the-shelf MicroStrategy module to provide pre-built reports and downloadable data to lenders. All reports and data are auto-filtered to the Lender ID associated with the current user.

Only some MicroStrategy functions are available through LRS, but lenders can use downloadable data to build reports using their own analytical tools.

6.A Accessing Reports

1. Select Reports from the main Navigation header.
2. Click the LRS Reports icon.
3. Click the Shared Reports icon.
4. Click on the Lender Reports icon to view and download reports.

![Lender Reports Icon](image)

*Figure 41: Lender Reports Icon*

5. Hover over a report for export options. *Export* will allow you to download the report as an Excel document. *PDF* will export the report as a PDF document.

![Lender Reports Folder](image)

*Figure 42: Lender Reports Folder*
6.B Launching Pre-Built Reports

**Indemnification List**

1. Click the *Indemnification List* icon to open the report in the MicroStrategy filter view.
2. Choose the preferred start and end dates or leave the default dates selected.

![Figure 43: Indemnification List Filters](image)

3. Click the *Export* button to run the report.

![Figure 44: Indemnification List – PDF Version](image)
4. Click the **INDEM LETTER** hyperlink in the far right column of the report to view/download the eSigned Indemnification Agreement.

---

**Figure 45: E-Signed Indemnification Agreement**

---

**INDEMNIFICATION AGREEMENT**

Indemnification Number: 
Review ID: 

The U.S. Department of Housing and Urban Development (HUD) and (Mortgagor) agree as follows:

1. Mortgagor agrees to indemnify HUD, as provided below, for losses which have been or may be incurred related to any FHA-insured mortgage identified in Appendix A.

2. Where, as of the date HUD executes this Indemnification Agreement, a HUD/FHA mortgage insurance claim has not yet been submitted to HUD, Mortgagor shall submit no claim for insurance. Nevertheless, for any mortgages Mortgagor is still servicing, Mortgagor shall continue to observe HUD requirements for servicing and payment of mortgage insurance premiums with respect to such mortgages.

3. In the event that a mortgage insurance claim on any of the mortgages covered by this Indemnification Agreement has already been paid or is paid in the future, Mortgagor shall indemnify HUD by paying HUD the amount of HUD's Investment, as defined below, minus HUD's Recovery (in the case of conveyance or assignment claims), as defined below, plus interest, penalties, and administrative fees as may be permitted by law if Mortgagor does not pay HUD timely. HUD's Investment includes, but is not limited to: the full amount of the insurance claim actually paid, including any loss mitigation claim(s), all taxes and assessments paid or payable by HUD, all maintenance and operating expenses paid or payable by HUD (including costs of rehabilitation and preservation), expenses associated with the servicing and sale of a note, and all sales expenses and any other expenses HUD may incur in connection with its property disposition programs regarding FHA-insured mortgages. HUD's Recovery is the net proceeds HUD receives from the sale of the property or mortgage, plus any discount (such as under the Good Neighbor Next Door program) provided by HUD to the purchaser. If HUD's Recovery exceeds HUD's Investment, HUD will retain this excess.

4. In lieu of paragraph 3, in the event that a claim is paid, HUD may, at its option, assign a mortgage listed in this Indemnification Agreement to Mortgagor or convey to Mortgagor a property securing such mortgage. In the event of such assignment or conveyance, Mortgagor agrees to pay HUD the amount of HUD's Investment, as described above.

5. Where, after the date that this Indemnification Agreement is signed by HUD, any mortgage included in this Indemnification Agreement is refinanced into a non-credit-qualifying FHA refinance mortgage, this Indemnification Agreement will extend to the new mortgage.

6. Any material breach of the terms and conditions of this Indemnification Agreement shall constitute independent grounds for imposition of administrative sanctions by the Mortgagor Review Board against Mortgagor pursuant to 24 CFR Part 25.

WHEREFORE, the parties hereto have duly executed this Indemnification Agreement, effective when signed and dated by the U.S. Department of Housing and Urban Development.
Lender Self Report List

1. Navigate to the Lender Reports folder. Click the Lender Self Report List icon to open the report in the MicroStrategy filter view.

![Figure 46: Lender Reports Folder](image)

2. Choose the preferred start and end dates or leave the default dates selected.

![Figure 47: Lender Self-Report List Filters](image)
3. Click the *Export* button to run the report.

![Lender Self-Report List](image)

*Figure 48: Lender Self-Report List*
6.C Downloadable Data

LRS provides downloadable data so that lenders can create their own reports. Three datasets are available:

- **Review-Selection Data** contains fields that apply to each review (or to each selection if a review record has not yet been created). Each row represents a single review.

- **Review Level Data** contains fields that apply to each review level. This data may change from level to level for any given review. Each row represents a single review level, so a review that resulted in four total levels will have four rows in the dataset.

- **Findings Data** contains fields that apply to each finding logged for each review. Each row represents a single finding, so a review that resulted in three total findings will have three rows in the dataset.

Each dataset begins with a common group of approximately 10 fields. These can be used to link the datasets for more advanced analytics.

**Note:** For completed reviews, any field with “Current” in the name was the final version of that field.

**Exporting into Excel/CSV Format**

1. Navigate to the Lender Reports folder. See section 6A – Accessing Reports for details.

2. Click on the LRS Downloads icon to view downloadable datasets.
3. Click on the **Review-Selection Data Download**, **Review Level Data Download** or **Findings Data Download** to launch the corresponding dataset.

![Figure 50: LRS Downloads Folder – Selecting a Dataset](image)

4. Choose from available filters to limit the file size. Each dataset allows you to filter by **Selection Start Date**, **Selection End Date**, **Review Type**, **Selection Reason**, and/or **Review Scope**.

5. Click the **Run Report** button to launch the downloadable dataset based on the filters applied.

![Figure 51: LRS Downloads – Setting Filters](image)
6. The MicroStrategy dataset will be run in an HTML format.
7. Click the pagination links to navigate through the dataset.

![Figure 52: LRS Downloads – HTML Data Format](image)

8. Click the Export button in the header of the MicroStrategy application to launch the Export Options screen.
9. Choose from the available export options. Using the default settings will export the dataset to an Excel file with the report title and filter details included in the header. MicroStrategy exports the following file formats: Excel with plain text, CSV, Excel with formatting, HTML, Plain Text.
10. Click the Export button to download the dataset to your personal machine based on the Export Options applied.

![Figure 53: LRS Downloads – Export Options](image)
11. The exported dataset will be launched with the _Export Options_ applied.

![Figure 54: LRS Findings Dataset – Excel Format Example](image-url)
6.D MicroStrategy Help

FHA does not maintain specific instructions for all MicroStrategy reporting options, but the MicroStrategy module contains its own Help function. There are multiple ways to access MicroStrategy Help.

1. From the main Reports landing page, click the question mark (?) icon in the top right of the MicroStrategy application to launch the Help function.

2. From inside the LRS Reports folder, click the First Name, Last Name drop-down in the top right of the MicroStrategy application.

3. Click the question mark (?) Help option in the drop-down.
4. Navigate through the MicroStrategy help function by clicking hyperlinks from the right sidebar or the main body of the screen.

5. Enter text into the Search function on the right sidebar.

Figure 57: MicroStrategy Help Function
## Table of Figures

<table>
<thead>
<tr>
<th>Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>Figure 1</td>
<td>PRA Info/OMB Control Numbers</td>
<td>5</td>
</tr>
<tr>
<td>Figure 2</td>
<td>Active Reviews – Requests tab</td>
<td>7</td>
</tr>
<tr>
<td>Figure 3</td>
<td>Active Reviews – Batches Tab</td>
<td>8</td>
</tr>
<tr>
<td>Figure 4</td>
<td>Findings Overview – Review Data Tab</td>
<td>10</td>
</tr>
<tr>
<td>Figure 5</td>
<td>Findings Overview – Review Data Tab (Lender Self-Report)</td>
<td>10</td>
</tr>
<tr>
<td>Figure 6</td>
<td>Findings Overview – Findings Tab</td>
<td>11</td>
</tr>
<tr>
<td>Figure 7</td>
<td>Lender Response to Unacceptable Finding (Initial Level)</td>
<td>12</td>
</tr>
<tr>
<td>Figure 8</td>
<td>Findings Overview – Complete Wrap Up Enabled</td>
<td>13</td>
</tr>
<tr>
<td>Figure 9</td>
<td>Findings Overview – Confirm Review Level Submit</td>
<td>13</td>
</tr>
<tr>
<td>Figure 10</td>
<td>Lender Response to Unacceptable Finding (Mitigation/Escalation Levels)</td>
<td>14</td>
</tr>
<tr>
<td>Figure 11</td>
<td>Operational Documents Requested</td>
<td>15</td>
</tr>
<tr>
<td>Figure 12</td>
<td>Operational Documents Submitted</td>
<td>16</td>
</tr>
<tr>
<td>Figure 13</td>
<td>Operational Loan Review – Findings Triggered at Initial Review Level</td>
<td>16</td>
</tr>
<tr>
<td>Figure 14</td>
<td>Batch Summary Screen</td>
<td>17</td>
</tr>
<tr>
<td>Figure 15</td>
<td>Case Associated with a Batch – Unacceptable Finding</td>
<td>17</td>
</tr>
<tr>
<td>Figure 16</td>
<td>Case Associated with a Batch – Findings Overview</td>
<td>18</td>
</tr>
<tr>
<td>Figure 17</td>
<td>Batch Summary Screen – Progress Indicators</td>
<td>18</td>
</tr>
<tr>
<td>Figure 18</td>
<td>Batch Summary Screen – Submit Batch Active</td>
<td>19</td>
</tr>
<tr>
<td>Figure 19</td>
<td>Batch Summary Screen at Mitigation 1</td>
<td>20</td>
</tr>
<tr>
<td>Figure 20</td>
<td>Indemnification Button</td>
<td>21</td>
</tr>
<tr>
<td>Figure 21</td>
<td>Indemnification Agreement</td>
<td>21</td>
</tr>
<tr>
<td>Figure 22</td>
<td>E-Signed Indemnification Agreement</td>
<td>22</td>
</tr>
<tr>
<td>Figure 23</td>
<td>Confirm Indemnification Pop-Up</td>
<td>23</td>
</tr>
<tr>
<td>Figure 24</td>
<td>Advanced Search – Case Number Input</td>
<td>24</td>
</tr>
<tr>
<td>Figure 25</td>
<td>Advanced Search – Case Number Search Results</td>
<td>25</td>
</tr>
<tr>
<td>Figure 26</td>
<td>Advanced Search – Filtered Search Results</td>
<td>26</td>
</tr>
<tr>
<td>Figure 27</td>
<td>Advanced Search – Batch ID Input</td>
<td>27</td>
</tr>
<tr>
<td>Figure 28</td>
<td>Binder Request – Date Sent Calendar</td>
<td>28</td>
</tr>
<tr>
<td>Figure 29</td>
<td>Add Cases to Self-Report – Review Type Drop-Down</td>
<td>29</td>
</tr>
<tr>
<td>Figure 30</td>
<td>Add Cases to Self-Report – Cases Listed</td>
<td>30</td>
</tr>
<tr>
<td>Figure 31</td>
<td>Add Cases to Self-Report – Remove Cases Confirmation Pop-Up</td>
<td>31</td>
</tr>
<tr>
<td>Figure 32</td>
<td>Add Case Details Screen</td>
<td>32</td>
</tr>
<tr>
<td>Figure 33</td>
<td>Add Case Details – Fraud Participants Drop-Down</td>
<td>32</td>
</tr>
<tr>
<td>Figure 34</td>
<td>Add Case Details – Submission Successful Pop-Up</td>
<td>33</td>
</tr>
<tr>
<td>Figure 35</td>
<td>Completed Reviews – Reviews Tab</td>
<td>34</td>
</tr>
<tr>
<td>Figure 36</td>
<td>Findings Overview for a Read-Only Completed Review</td>
<td>34</td>
</tr>
<tr>
<td>Figure 37</td>
<td>Completed Reviews – Batches Tab</td>
<td>35</td>
</tr>
<tr>
<td>Figure 38</td>
<td>Findings Overview for a Read-Only Completed Review in a Batch</td>
<td>35</td>
</tr>
<tr>
<td>Figure 39</td>
<td>LRS Reports Icon</td>
<td>36</td>
</tr>
<tr>
<td>Figure 40</td>
<td>Shared Reports Icon</td>
<td>36</td>
</tr>
<tr>
<td>Figure 41</td>
<td>Lender Reports Icon</td>
<td>37</td>
</tr>
<tr>
<td>Figure 42</td>
<td>Lender Reports Folder</td>
<td>37</td>
</tr>
<tr>
<td>Figure 43</td>
<td>Indemnification List Filters</td>
<td>38</td>
</tr>
<tr>
<td>Figure 44</td>
<td>Indemnification List – PDF Version</td>
<td>38</td>
</tr>
<tr>
<td>Figure 45</td>
<td>E-Signed Indemnification Agreement</td>
<td>39</td>
</tr>
<tr>
<td>Figure 46</td>
<td>Lender Reports Folder</td>
<td>40</td>
</tr>
<tr>
<td>Figure 47</td>
<td>Lender Self-Report List Filters</td>
<td>40</td>
</tr>
<tr>
<td>Figure 48</td>
<td>Lender Self-Report List</td>
<td>41</td>
</tr>
<tr>
<td>Figure 49</td>
<td>Lender Reports Folder</td>
<td>42</td>
</tr>
<tr>
<td>Figure 50</td>
<td>LRS Downloads Folder – Selecting a Dataset</td>
<td>43</td>
</tr>
<tr>
<td>Figure 51</td>
<td>LRS Downloads – Setting Filters</td>
<td>43</td>
</tr>
<tr>
<td>Figure 52</td>
<td>LRS Downloads – HTML Data Format</td>
<td>44</td>
</tr>
</tbody>
</table>