

**FHA INFO #19-49**  
**September 26, 2019**



**TO: All FHA-Approved Mortgagees Originating and Servicing  
Home Equity Conversion Mortgages;  
All FHA-Approved Mortgagees;  
All Other Interested Stakeholders in FHA Transactions**

## NEWS AND UPDATES

### **FHA Publishes Implementation Requirements for Condominium Units Secured by Home Equity Conversion Mortgages**

On August 14, 2019, the Federal Housing Administration (FHA) published its “*Project Approval for Single Family Condominiums*” ([Docket No. FR-5715-F-02](#)), Final Rule in the *Federal Register*, as well as updated its [Single Family Housing Policy Handbook 4000.1](#) (SF Handbook) to include the new Condominium-related policy guidance.

As FHA had announced with the August 14<sup>th</sup> publication, the Final Rule is applicable to both the Home Equity Conversion Mortgage (HECM) and forward mortgage programs. As a result, FHA published [Mortgagee Letter \(ML\) 2019-17](#), *Home Equity Conversion Mortgage (HECM) Program – Condominium Requirements*, which outlines the updated origination requirements for HECMs in condominium projects in accordance with the recently published SF Handbook guidance. It also includes certain borrower eligibility requirements for seniors seeking to obtain a HECM for a condominium unit using FHA’s Single-Unit Approval process. Refer to today’s ML 2019-17 for details.

The Condominium Project Approval requirements can be found in Section II.C. of the SF Handbook. The Condominium requirements for units in approved projects, site condominiums, and Single-Unit Approval requirements are in Section II.A.8.p, except as noted in the ML. HECM mortgagees must comply with the guidelines beginning October 15, 2019. Mortgagees also must comply with all other existing HECM eligibility and program requirements.

#### **Quick Links**

- View the *Federal Register* Final Rule (Docket No. FR-5715-F-02) at: <https://www.federalregister.gov>
- Access the online or PDF version of the *Single Family Housing Policy Handbook 4000.1* at: [https://www.hud.gov/program\\_offices/administration/hudclips/handbooks/hsgb](https://www.hud.gov/program_offices/administration/hudclips/handbooks/hsgb)

- View current and archived Mortgagee Letters at:  
[https://www.hud.gov/program\\_offices/administration/hudclips/letters/mortgagee](https://www.hud.gov/program_offices/administration/hudclips/letters/mortgagee)

## Resources

Contact the FHA Resource Center:

- Visit our online knowledge base to obtain answers to frequently asked questions 24/7 at:  
[www.hud.gov/answers](http://www.hud.gov/answers).
- E-mail the FHA Resource Center at: [answers@hud.gov](mailto:answers@hud.gov). Emails and phone messages will be responded to during normal hours of operation, 8:00 AM to 8:00 PM (Eastern), Monday through Friday on all non-Federal holidays.
- Call 1-800-CALLFHA (1-800-225-5342). Persons with hearing or speech impairments may reach this number by calling the Federal Relay Service at 1-800-877-8339.

<b>FHA INFO Archives:</b>	Visit the <a href="#">FHA INFO Archives</a> to access FHA INFO messages issued from 2012 to the present.	
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<b>Resource Links:</b>	<a href="#">FHA Archived Webinars</a> <a href="#">Career Opportunities</a> <a href="#">Contracting Opportunities</a> <a href="#">Events &amp; Training</a> <a href="#">FHA Forms</a> <a href="#">FHA Homeownership Centers</a> <a href="#">FHA Mortgagee Letters</a>	<a href="#">Foreclosure Assistance</a> <a href="#">Grant Opportunities</a> <a href="#">HUD Homes - Property Listings</a> <a href="#">HUD.gov</a> <a href="#">Making Home Affordable</a> <a href="#">Presidentially-Declared Major Disaster Areas</a> <a href="#">Visit our Single Family Home Page</a>



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