

FHA INFO 2023-65 August 10, 2023

FHA Enables Mortgagees to Process Case Cancellations and Reinstatements through FHA Connection (FHAC)

Today, the Federal Housing Administration (FHA) announced a new functionality in the FHA Connection (FHAC) system, enabling lenders to process their case cancellations and reinstatements through the Case Cancel/Reinstate Screen, and through the Business to Government (B2G) connection in the future. This new functionality eliminates the requirement to submit most requests to the FHA Resource Center for processing. The new functionality in large part eliminates an unnecessary manual request submission process by providing lenders with increased flexibility and efficiency to manage their case processing needs in FHAC without FHA assistance.

When FHAC identifies an exception that requires FHA staff intervention, it will direct mortgagees to submit the request to the FHA Resource Center using the applicable template on the <u>Single Family Case Processing Requirements</u> web page, which will be available on August 14, 2023. These exceptions include case cancellations if the Upfront Mortgage Insurance Premium (UFMIP) on the case was paid, the case was endorsed, or case reinstatements if the case was automatically canceled.

FHA Connection Application Coordinators must grant authority to users responsible for performing the Case Cancellation and Reinstatement functions.

This new functionality will be available in FHAC beginning Monday, August 14, 2023, and will be optional during a 90-day transition period. After this transition period, mortgagees must submit case cancellations and reinstatements through FHAC beginning November 7, 2023.

The functionality will be available through the Business to Government (B2G) connection soon. Prior to its availability, B2G lenders will be notified of the implementation date and that the B2G guide has been updated to include the new functionality.

The <u>Single Family Housing Policy Handbook 4000.1</u>. Section II.A.1.a.iii. (B)(3), Canceling and Reinstating Case Numbers was updated on August 9, 2023, to align with this new guidance.

Need Support? Contact the FHA Resource Center.

- Visit our knowledge base to obtain answers to frequently asked questions 24/7 at www.hud.gov/answers.
- E-mail 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.

About FHA INFO

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