



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-8000

ASSISTANT SECRETARY FOR HOUSING-
FEDERAL HOUSING COMMISSIONER

April 8, 2010

MORTGAGEE LETTER 2010-14

TO: ALL APPROVED MORTGAGEES

SUBJECT: ELECTRONIC SIGNATURES ON THIRD PARTY DOCUMENTS

This Mortgagee Letter announces that FHA will accept electronic signatures on third party documents included in the case binder for mortgage insurance endorsement in accordance with Electronic Signatures in Global and National Commerce Act (ESIGN) and the Uniform Electronic Transactions Act (UETA), as applicable. This policy is effective immediately for forward mortgages as well as Home Equity Conversion Mortgages.

Third party documents are those that are originated and signed outside of the mortgagee's control, such as a sales contract. An indication of the electronic signature and date should be clearly visible when viewed electronically and in a paper copy of the electronically signed document. Mortgagees must employ the same level of care and due diligence with electronically signed documents that they would for paper documents with "wet" or ink signatures. Additionally, mortgagees are reminded that the origination case binder must be maintained in either hard copy or electronic format for two years from the date of endorsement [HUD Handbook 4000.2 REV-3].

If you have any questions regarding this Mortgagee Letter, please call the FHA Resource Center at 1-800-CALLFHA (1-800-225-5342). Persons with hearing or speech impairments may access this number via TDD/TTY by calling 1-877-TDD-2HUD (1-877-833-2483).

Sincerely,

David H. Stevens
Assistant Secretary for Housing-
Federal Housing Commissioner

Paperwork Reduction Act

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