



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

ASSISTANT SECRETARY FOR HOUSING-
FEDERAL HOUSING COMMISSIONER

January 30, 2013

MORTGAGEE LETTER 2013- 02

TO: ALL APPROVED MORTGAGEES

SUBJECT: Home Equity Conversion Mortgage (HECM) Program - Amended Late Request for Endorsement Procedures

Purpose: This Mortgage Letter updates the certification language that must accompany all late endorsement requests for HECMs.

Effective Date The provisions are effective 60 days from the date of this Mortgage Letter.

Affected Topics The provisions of this Mortgage Letter affects topics found in HUD Handbook 4155.2 listed in the table below.

HUD Handbook 4155.2, Lenders Guide to the SF Mortgage Insurance Process	
Topic	See Page
Requirements for Late Endorsement Request Certification	4155.2 8.C.7.c
HECM Case Binder Document Requirements	4155.2 8.B.3.a

Continued on next page

Mortgagee Letter 2013-02, Continued

4155.2 8.C.7.c Requirements for Late Endorsement Request Certification

A request for insurance endorsement is considered “late” when the case binder is received by the Homeownership Center more than 60 days after loan closing or funds disbursement, whichever is later.

When submitting a late request for endorsement, the lender is required to include a dated certification with an original signature of its representative on company letterhead, which includes the lender’s complete address and telephone number.

The certification must be specific to the case being submitted, identifying the FHA case number, the name(s) of the borrower(s), and must state that:

- at the time of certification, all payments to the borrower(s) have been made in accordance with timeframes specified by the payment option;
- the mortgage insurance premiums, late charge and interest due have been remitted;
- the borrower is current in paying their property charges, i.e., taxes, ground rent, flood and hazard insurance premiums, and special assessments, etc.; and
- the lender or its agent did not provide funds to bring and/or keep the property charges current or to bring about the appearance that the borrower has complied with the obligations of the mortgage.

Note: FHA will not insure a HECM when the mortgage is out of compliance with FHA requirements when submitted for endorsement.

Continued on next page

Mortgagee Letter 2013-02, Continued

False Certifications

Individuals executing false certifications may have administrative sanctions taken against them including, but not limited to: debarment from participation in HUD's and other Federal agency programs; civil money penalties; and sanctions under the Program Fraud Civil Remedies Act.

HUD may also impose administrative sanctions against lenders whose employees execute false certifications. For more information on lender sanctions, see [HUD Handbook 4155.2 9.D](#).

Questions

Additional questions regarding this Mortgagee Letter may be obtained by contacting FHA's Resource Center at 1-800-CALLFHA (1-800-225-5342). Person's with hearing or speech impairments may access this number via TTY by calling the Federal Information Relay Service at (800) 877-8339.

Information Collection Requirements

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. 3501-3502). Approval of the HECM Program is covered by OMB Control number 2502-0524, with late endorsement requirements being covered by OMB control number 2502-0404. An agency may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a valid control number.

Signature

Carol J. Galante

Assistant Secretary for Housing-Federal Housing Commissioner
