



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

OFFICE OF THE ASSISTANT SECRETARY
FOR HOUSING-FEDERAL HOUSING COMMISSIONER

June 25, 2001

MORTGAGEE LETTER 2001-16

TO: ALL APPROVED MORTGAGEES

ATTENTION: Single Family Servicing Managers

**SUBJECT: HOME EQUITY CONVERSION MORTGAGE PROGRAM (HECM)
SERVICING AND CLAIM ISSUES**

The purpose of this mortgagee letter is to provide updated guidance regarding the servicing of HECM mortgages and filing assignment claims for HECMs.

1. Announcement of New Servicing Contacts:

Questions must no longer be referred to Wendover as FHA has transferred the responsibility for insured servicing issues related to the HECM portfolio from Wendover to Deloitte & Touche, LLP. First Madison Services, Inc., under contract to Deloitte & Touche, will be servicing the HECM first mortgages assigned to the Department.

Until further notice, all servicing and procedural requests regarding FHA-insured HECM mortgages shall be directed to Deloitte & Touche, LLP. Examples of such inquiries include Mortgage Requests for Extensions of Time (Form HUD-50012), requests for acceleration of the first mortgage, requests for partial releases, processing for payment in full of HUD's subordinate mortgage, short sales and any other issue related to the servicing of insured HECM mortgages. The address and phone number for Deloitte & Touche, LLP, is as follows:

U.S. Department of HUD,
Deloitte and Touche, LLP
Attn: Monica Hodges
7666 E. 61st Street, Suite 450
Tulsa, OK 74133

Telephone number: (918) 461-4852
Toll-free: (888) 355-9752

Until further notice all assignment requests and inquiries regarding assigned HECM first mortgages and the Secretary-Held subordinate mortgages should be directed to:

U.S. Department of HUD
c/o First Madison Services, Inc.
Attn: Ed Kondziola
4 Corporate Drive
Shelton, CT 06484

Telephone number: (203) 926-5722 or (800) 967-3050.

2. **HECM Assignments - Evidence for Claims**

Previously the Department required mortgagees to provide a copy of the recorded assignment of the mortgage to Headquarters before the claim would be paid. This requirement has proved problematic in jurisdictions that do not quickly return evidence of recordation.

To alleviate this problem, effective with the date of this mortgagee letter, the Department will accept either documentation from the clerk of court that the assignment was presented for recordation or a certification of assignment as sufficient evidence for paying a claim. Certifications submitted for this purpose must conform to the enclosed format and accompany the other documents required in HECM claim submissions. Please ensure that the certifications are prepared on the mortgagees letterhead and that the certifications are signed by an officer of the company.

Mortgagees using these substitute documents are required to submit a copy of the recorded assignment as soon as possible to the following address:

U.S. Department of Housing and Urban Development
c/o Deloitte and Touche, LLP
Attn: Document Custodian
7666 E. 61st Street, Suite 450
Tulsa, OK 74133

The recorded assignment or a sufficient explanation of the delay must be submitted to the above address within six months after the claim is paid. If the recorded assignment is not forwarded as required, the Department will bill the mortgagee to recover any and all costs involved in satisfying the local jurisdiction's requirements for lost or missing documents.

Questions regarding this Mortgagee Letter should be directed to our National Servicing Center at (888) 297-8685.

Sean G. Cassidy
General Deputy Assistant Secretary for Housing-
Deputy Federal Housing Commissioner