

U.S. Department of Housing and Urban Development

H O U S I N G

Special Attention of:	Transmittal Handbook No.:
All Approved Mortgagees	4330.2 REV-2
(ATTN: Servicing Managers (Single Family)	
State Coordinators	Issued: March 24, 1995
Area Coordinators	
Directors of Housing	
Directors, Single Family Division	
Chiefs, Loan Management	
Supervisory Single Family Loan Specialists	

- 1.This transmits Handbook 4330.2 Rev-2, "Mortgage Assignment Processing."
- 2.This Handbook contains Chapters 1 through 10. Remove Chapters 1 through 4 of Handbook 4330.2 Rev-1, "Mortgage Assignment Processing and Secretary-Held Servicing" dated 3/20/91. Insert attached 4330.2 Rev-2, dated 3/95, Chapters 1 through 10.
- 3.Handbook 4335.2 Rev-2, "Secretary-Held Servicing" will be issued soon which will contain Chapters 5 through 10 of the current Handbook 4330.2 Rev-1, dated 3/20/91, renumbered as Chapters 1 through 6. Until that Handbook is issued, 4330.2 Rev-1, dated 3/20/91, Chapters 5 through 10 still apply.
- 4.Handbook 4330.1 Rev-5, "Administration of Insured Home Mortgages" will be updated at a later date. In the interim, Handbook 4330.2 Rev-2 supersedes any conflicting requirements. For example, the cover letter transmitting pamphlet HUD PA-426H is superseded by letter Appendix A, ASGN-1 of this Handbook.

5.Explanation:

This revision contains the improved Assignment Program Application Process guidelines.

The following are the significant changes:

- (1)Borrowers are encouraged to apply to lenders for assignment consideration.
- (2)Lenders process assignment requests and make recommendations to HUD to accept assignment of mortgages on behalf of borrowers who meet the program criteria.
- (3)Borrowers may apply for and have their assignment requests processed during bankruptcy.
- (4)There are three (3) scenarios for processing assignment requests.

- (5) All letters and forms have been revised. Effective June 1, 1995, destroy all Assignment Program forms currently in use and obtain form HUD-92004-G dated 12/90 and all other program forms dated 3/95. Previous versions must not to be used until the supply on hand is depleted.
- (6) Interpretation of criteria and information with respect to acceptable documentation have been expanded to ensure consistency in applying criteria.
- (7) Credit reports purchased by HUD may now be shown to the borrower or copied and provided to a borrower as part of their assignment file.

HSISI: Distribution: W-3-1,W-2(ADM)(OGC)(Z)(H)(PD&R),W-3(H)(ZAOO)(OGC)
(PD&R),W-4(H),R-1,R-2,R-3,R-3-1(H),R-3-2,R-3-3,R-6,
R-7,R-7-2,R-8, Participating Mortgagees
HUD-23 (9-81)

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6.Filing Instructions:

Remove:

Handbook 4330.2 Rev-1, Chapters
1 through 4, dated 3/20/91

Insert:

Handbook 4330.2, Rev-2
dated 3/95

Assistant Secretary for Housing-
Federal Housing Commissioner

3/95

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Handbook

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U.S. Department of Housing and Urban Development
OFFICE OF HOUSING

Departmental Staff

MORTGAGE

ASSIGNMENT

PROCESSING

HSISI: Distribution: W-3-1,W-2(ADM)(OGC)(Z)(H)

(PD&R), W-3(H) (ZAOO) (OGC) (PD&R), W-4(H), R-1, R-2,
R-3, R-3-1(H), R-3-2, R-3-3, R-6, R-6-1, R-6-2, R-7,
R-7-1, R-7-2, Participating Mortgagees
