

CHAPTER 9. DEFAULTS

9-1. DEFAULTS AFTER FINAL ENDORSEMENT. Follow Chapter 9 of HUD Handbook 4566.2 for:

- A. Reporting defaults
- B. Analyzing the project's potential for reinstatement
- C. Negotiating and monitoring a reinstatement plan.

9-2. DEFAULTS BEFORE FINAL ENDORSEMENT

- A. Follow paragraph 13-9 of HUD Handbook 4561.1. It provides remedies to cure the default, complete the project and bring it to final endorsement.
- B. The lender must report this type of default using the Default Report Before Final Endorsement (Form HUD-58047). See Appendix 71 of HUD Handbook 4561.1.