

Assistance Payment Contract
Notice of: (1) Termination,
(2) Suspension, or (3) Reinstatement

**U.S. Department of Housing
and Urban Development**
Office of Housing
Federal Housing Commissioner

OMB Approval No. 2502-0583 (exp.06/30/2017)

See next page for Public reporting burden statement.

(1) ☐ Termination (2) ☐ Suspension (3) ☐ Reinstatement	Instructions: Execute this form only within 10 days after an event occurs which operates to terminate, suspend, or reinstate an assistance payment contract. See additional instructions and information about specifics on the reverse. Maintain the original in the mortgagee files.				
1. FHA Case Number :		2. Date of Report :		3. Present Mortgagors :	
Mark one : ☐ Orig. 235 Program ☐ Rev. 235 Program ☐ 235 Recapture ☐ 235 Program Revised Recapture - 10				4. Property Address including Zip Code :	
5. Original Mortgage : \$		6. Interest Rate : • %		7. Date Insured :	
10. Last Payment : \$		11. Formula : 1 ☐ 2 ☐		12. Next Payment : \$	
				13. Formula : 1 ☐ 2 ☐	
				14. Next Payment Date :	
15. Reason for Suspension: (Check only one box.) (1) ☐ Homeowner or cooperative member non-occupancy. (2) ☐ Homeowner or cooperative member elected not to receive assistance. (3) ☐ Failure of homeowner or cooperative member to submit recertification as required by Section 235.350 of the regulation. (4) ☐ Recertification indicates that homeowner or cooperative member can make full payment with 20% or 28% of adjusted monthly income. (5) ☐ Beginning of legal action to foreclosure. (6) ☐ Assumption of the mortgage obligation or cooperative membership by a party whose eligibility for assistance has not yet been established. (Date of first payment by assumptor _____). (7) ☐ Direction of the Secretary.			16. Reason for Termination: (Check only one box.) (1) ☐ Contract of mortgage insurance is terminated for any reason other than conveyance of title or assignment of mortgage to Secretary. (2) ☐ Title conveyed to Secretary. (3) ☐ Property purchased, mortgage obligation assumed, or cooperative membership assumed by a party not eligible for assistance. (4) ☐ Contract of assistance payments has been suspended for three years without reinstatement. (5) ☐ Assumptor refuses to execute note for Recapture of Assistance. (6) ☐ Direction of the Secretary.		
17. Reason for Reinstatement: (Reinstatement is prohibited if the mortgagor is a non-immigrant student alien.)(Check only one box.) (1) ☐ Terminated in error. (2) ☐ Suspended in error. (3) ☐ Homeowner or cooperative member reoccupies property. (4) ☐ Homeowner elects to receive assistance. (5) ☐ Family income decreased 20% or 28% of adjusted income no longer sufficient to make full monthly payment. (6) ☐ Late certification received. (7) ☐ Foreclosure has been dismissed. (8) ☐ Assumption of the mortgage obligation or cooperative membership by a party eligible to receive assistance. (9) ☐ Direction of the Secretary.					
18 a. (Reinstatements Only) Is reinstatement retroactive? (1) ☐ Yes (2) ☐ No If "yes," to what date?			18 b. Date of form HUD-93114 reporting suspension or termination:		
19. Name, Address & Zip Code of Servicer :			20. Signature of Servicer Official : X		
			21. Title :		

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

Public reporting burden for this collection of information is estimated to average 30 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required to obtain benefits and is mandatory. HUD may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. Section 235 of the National Housing Act authorizes the Secretary of the Department of Housing and Urban Development to provide assistance to aid qualified low- and moderate-income families to acquire homeownership. This information collection documents for review and audit each Section 235 mortgage serviced by lenders, where HUD financial assistance to qualify for low- and moderate-income families is terminated, suspended, and/or reinstated. While no assurances of confidentiality are pledged to respondents, HUD generally discloses this data only in response to a Freedom of Information Act request.

Additional Instructions & Information

Item 1. Check case numbers carefully. To correct an error, execute another form HUD-93114 for your file.

Item 3. The mortgagors affected by the report. For simultaneous suspensions and reinstatements, enter the old mortgagors for suspension and the new ones for reinstatement.

Item 6. Enter the interest rate as one digit before the decimal and a two-digit fraction after the decimal, (i.e., 12.25 for 12-1/4%, 8.00 for 8%, and 7.50 for 7-1/2%, etc.).

Item 8. The cumulative amount billed for months beginning after the date in item 9 for suspensions and terminations only. The amount must be refunded by deduction from the next regular bill on form HUD-93102. A record of the credit must be established on the related form HUD-300 or equivalent ADP printout. After suspension or termination, no further assistance payments or handling charges are to be billed unless the contract is later reinstated.

Item 9. The date of the event requiring the action. For reinstatements, the date eligibility was established.

Item 10. The amount of the last assistance payment to which the mortgagor was entitled before suspension or termination, regardless of the action being reported now. The last payment to which the mortgagor was entitled was the payment due the first of the month in which termination or suspension became necessary.

Item 11. The formula under which the payment in item 10 was computed: 1 = the difference between the full mortgage payment and 20% or 28% of adjusted income; 2 = the difference between principal, interest, and MIP on the mortgage and principal and interest on an identical mortgage at the applicable assisted interest rate (1%, 4%, 4-3/4%, 5%, 5-1/2%, 6%, 6-3/4%, or 8%).

Item 12. Reinstatements only. The amount of the first assistance payment to be billed, regardless of the month for which it is billed.

Item 13. The formula under which the payment in item 12 was computed. See item 11 above.

Item 14. First billing which will include payment on a reinstatement contract.

Check only one box in items 15 through 17

Item 15 (3). Use if annual recertification is not received by 30 days after anniversary date or other required recertification is not received by 30 days after it is required and requested by the mortgagee.

Item 15 (5). This takes place when the first action required by law as a part of the foreclosure process is taken.

Item 15 (6). Use when eligibility of the assumptor is not certain, but an application has been or will be submitted. If no application will be submitted, terminate. Applicable for recapture cases as well.

Item 15 (7). Use when citizenship or eligible alien status has not been established.

Item 16. A report must be executed if one of the reasons for termination occurs when the contract is suspended.

Item 16 (3). Use only when no application for approval of the assumptor will be submitted or an application is disapproved by the HUD assistance payments.

Item 17. The date of the first assistance payment to which the mortgagor is entitled varies, depending on the reasons for suspension and reinstatement.

Item 17 (1) and (2). Use only when an earlier termination or suspension should not have been reported. An explanation is required in the mortgagee's files. Reinstatement is retroactive to the date of the error.

Item 17 (3). Use when suspension was because of 15 (1) or (2). The mortgagor is entitled assistance from the first month in which he occupied the property, unless a recertification is involved, in which case see instruction 17 (5).

Item 17 (4). Use when suspension was because of 15 (2). The mortgagor is entitled to assistance from the first of the month following the election.

Item 17 (5). Use when suspension was because of 15 (4). Reinstatement must be based on recertification. Mortgagor is entitled to assistance beginning with assistance payment due no earlier than the first of month following, no later than first of second month following mortgagee's receipt of recertification, at the mortgagee's option.

Item 17 (6). Use when suspension was because of 15 (3). Reinstatement as for 17 (5).

Item 17 (7). Reinstatement may be retroactive to the date of suspension. Costs incurred prior to dismissal of foreclosure may be recovered from the mortgagor but may not be included in any assistance payments calculation or claim for mortgagee insurance benefits.

Item 17 (8). No payment may be billed until eligibility is established, but payments are authorized from the date the assumptor acquired an interest in and occupied the property. If the contract of sale was less than 90 days after the seller ceased to occupy, payments may be retroactive to the date of suspension, at rate for which the assumptor qualifies. Use when suspension was because of 15 (1), or (6).

Item 18. Must be completed when reinstatement is reported. Reinstatement is not retroactive unless the first payment is earlier than the first of the month in which Item 9 falls. The date is the due date of the oldest assistance payment to be billed on behalf of the present mortgagor. If there has been an assumption, and both mortgagors might be eligible for payment for the same month, only one payment, based on the seller's eligibility, is authorized, provided the seller occupied the property.

The termination or suspension of the assistance payments contract has no effect on the contract of mortgage insurance. All the rights of the mortgagee under the contract of mortgage insurance remain in full force and effect, regardless of the status of the assistance payments contract.