

# Request for Waiver of Housing Directive

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

OMB Approval No. 2502-0029  
(Expires 09/30/2016)

1. Field Office HUD Headquarters	2. Program and DAS (e.g., multifamily development) Housing, Office of Single Family Program Development
3. Waiver Requested by (person, entity, HUD employee) Kevin Stevens	
4. Waiver Item (directive number, date, page, paragraph, etc.) HUD Single Family Housing Policy Handbook 4000.1.II.A.4.iii.(A).(1) and II.A.4.v Relief Sought	

If the MIP factor reflecting on the AUS Feedback Certification is greater than the MIP factor calculated in accordance with the requirements of Handbook 4000.1. (II.A.8.a.xiii) and (II.A.8.d.vi.(B).(4)), which results in a MIP monthly amount greater than the actual monthly amount that will be paid; and TOTAL Scorecard returned a recommendation of "ACCEPT", a manual downgrade to "REFER" is not required.

5.  Yes (skip No. 6)  No (go to No. 6) If previously approved, give Counsel's name and date of approval.

6. Counsel Determination. The Waiver Proposal **does not conflict**  **conflicts**  with statutory or regulatory provisions (cite rule or provision)  
The request would waive Single Family Handbook provisions and would not require a waiver of any regulatory provisions. Additionally, no statutory provisions are implicated by the waiver.

Counsel (signature) <i>Amy Brown</i>	Date 2/1/16
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7. Employee Justification (attach additional pages if necessary)  
FHA Single Family has become aware that the Automated Underwriting Systems used to interface with TOTAL scorecard may have rules and feedback messages that are inconsistent with Handbook 4000.1 policy for calculating Loan to Value (LTV) ratios for application of the Mortgage Insurance Premium (MIP) for the Section 203(k) program or the Simple Refinance product.  
In accordance with Handbook 4000.1 II.A.8.a.xiii, for the purpose of calculating the LTV ratio for the application of MIP for 203(k) loan transactions, the Mortgagee must divide the Base Loan Amount by the After-Improved Value of the property. This calculation is separate from the LTV calculation used to determine the maximum mortgage amount.  
In accordance with Handbook 4000.1 Appendix 1.0, for the purpose of the Simple Refinance product, the MIP factor for a refinance of an existing FHA mortgage endorsed on or before May 31, 2009 is 55 basis points (0.55%) regardless of LTV.  
FHA Connection will return the correct MIP factor and amount at insurance application, upon completion of appraisal logging for both 203(k) and Simple

Field Office Concurrence

Name Elissa Saunders	Title Director, Office of Single Family Program Development	Date 1/20/16
8. <input checked="" type="checkbox"/> Granted <input type="checkbox"/> Not Granted	Housing Director (signature) <i>[Signature]</i>	Date 2/1/16

Comments

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Assistant General Counsel, Multifamily Mortgage Division, HUD Headquarters, Room 9230, CAHAA  
Office of the Deputy Assistant Secretary for Single Family Housing, Room 9282, HUD Headquarters, HU  
Office of the Deputy Assistant Secretary for Multifamily Housing, Room 6106, HUD Headquarters, HT  
And one copy to either of the following: