

Distribution Date: September 13, 2012

Two Notices for FHA Servicing Lenders / Two New Mortgagee Letters (ML 12-18; ML 12-17)

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**Two New Notices for FHA Servicing Lenders:**

1. Please be advised that there is a HUD IT infrastructure upgrade scheduled for Sunday, September 16, 2012 between 6:00 AM to 8:00AM. During this period, TOTAL Scorecard and FHA Connection will be unavailable.
2. Servicer Performance Scorecard for Delinquent Servicing (SPS):

HUD's National Servicing Center (NSC) has released the scores for its delinquent servicing scoring model, formerly known as the Servicer Performance Scorecard (SPS) through Q3, Fiscal Year 2012.

- Scores were released via hard copy letter to all eligible servicers.
- In order to be scored, a mortgage servicer must meet the following criteria: (1) Approved to service single family loans, and (2) Service a delinquent portfolio of 5 loans or more as reflected in Neighborhood Watch.
- If you have not received your scores and your company meets the above criteria, please send an email to [sfdatarequests@hud.gov](mailto:sfdatarequests@hud.gov) and include your 5 digit HUD lender ID to request a soft copy of your letter.

**Scoring Methodology:**

It is important for all servicers who have delinquent FHA loans to be familiar with their scores and the scoring methodology. A document narrative called "Servicer Performance Scorecard (SPS)" that explains the scoring process and how the scores are calculated can be found on NSC's website [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/housing/sfh/nsc/nshome](http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/nsc/nshome). This document is updated every quarter with methodology changes (if there are any) and with additional guidance and resources. Please make sure you read the most recent update, which was the Q3 update.

**Notification of Scores and Update to Distribution Process:**

Hard copy letters have been sent to the contact identified by your company that we have on file. If no contact was ever provided, the letter was sent to "President". However, going forward we will be going paperless.

- You can provide up to 10 email addresses to us for folks in your company that you would like to receive your scores as well as any other mass communication as needed.
- If you provide us with the email addresses, and as long as no emails come back as undeliverable, your company is eligible to receive extra credit points. Please refer to the narrative for more details.
- If your company does not provide us with an email address, we will send the scores to the corporate email address your company has listed on FHA Connection and your company will not receive any extra credit points for going paperless.

**Other Extra Credit:**

The deadline to submit information for your company to receive extra credit to be added to your FY2012 score is 10/31/2012. Please refer to the narrative for more details on this as well.

For FHA technical support, please contact the FHA Resource Center at: [www.hud.gov/answers](http://www.hud.gov/answers) Search our online knowledge base & find answers to our most commonly asked questions. You can also get email technical support at: [answers@hud.gov](mailto:answers@hud.gov) or phone FHA toll-free between 8:00 a.m. & 8:00 p.m. ET (5:00 a.m. to 5:00 p.m. PT) at: (800) CALLFHA or (800) 225-5342. Call FHA TDD at: (877) TDD-2HUD (877) 833-2483).

**Two New FHA Mortgagee Letters:**

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-8000  
ASSISTANT SECRETARY FOR HOUSING FEDERAL HOUSING COMMISSIONER  
Date: September 13, 2012  
Mortgagee Letter: 2012-18  
To: All Approved Mortgagees, All FHA Roster Appraisers

Subject: Temporary Approval Provisions for the Federal Housing Administration (FHA) Condominium Project Approval Process

Purpose: This Mortgagee Letter (ML) puts in place temporary condominium project approval guideline changes to some of the current FHA condominium approval policy provisions. These changes replace, for the period specified by this ML, certain approval requirements specifically identified in this ML that were established in ML 11-22 and the attached Condominium Project Approval and Processing Guide (Guide). It was determined that certain policy adjustments were needed to address current housing market conditions.

AND

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
WASHINGTON, DC 20410-8000  
ASSISTANT SECRETARY FOR HOUSING FEDERAL HOUSING COMMISSIONER

Date: September 11, 2012

To: All Approved Home Equity Conversion Mortgage (HECM) Mortgagees  
Mortgagee Letter 2012-17

Subject Home Equity Reverse Mortgage Information Technology (HERMIT) System for the Home Equity Conversion Mortgage (HECM)

Purpose: This Mortgagee Letter (ML) announces the October 9, 2012 launch date for HERMIT, HUD's new online, web-based automated system, and gives mortgagees directions on how to access the HERMIT User Manual and other support materials.

To read both of these new FHA Mortgagee letters in their entirety please visit:

[http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/administration/hudclips/letters/mortgagee](http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/letters/mortgagee)