

FHA INFO #13-60

Distribution Date: September 24, 2013

Reminder of Home Equity Conversion Mortgage (HECM) Program Changes – Effective Date / FHA Systems / HECM Calculator

Reminder of Home Equity Conversion Mortgage (HECM) Program Changes

Effective Date

On September 3, 2013, the Federal Housing Administration (FHA) published Mortgagee Letters (ML) 2013-27 and 2013-28, Changes to the HECM Program Requirements and HECM Financial Assessment and Property Charge Guide respectively, which provides HECM policy guidance on new initiatives that will strengthen the Mutual Mortgage Insurance Fund and preserve the financial soundness of the HECM program.

This message serves as a reminder of the September 30, 2013 effective date for certain changes announced in ML 2013-27 that are effective for case numbers assigned on or after September 30, 2013.

FHA Systems

The Origination Case Processing application in FHA Connection will shut down two hours earlier than usual on Saturday, September 28, 2013. The application will shut down at 6:00 pm Eastern to allow changes relative to the policies noted above to be deployed into the production environment. You will not be able to request new case number assignments until the application is back online Monday, September 30, 2013 at 8:00 am Eastern. When the system comes back online, users will notice updates to the Case Number Assignment screen selections and new data fields on the Appraisal Logging, HECM Insurance Application, and Case Query screens.

Mortgagees are reminded that FHA reserves the right to review case number assignments and revoke any case number assigned that violates FHA regulations and guidance.

HECM Calculator

Version 2.0 of the HECM Calculator Software is in the process of being updated to accommodate the new PLF table and will be released on or before September 28, 2013.

To see all FHA Mortgagee Letters visit: <http://bit.ly/HUDml>