



## TO: All FHA-Approved Mortgagees and Other Stakeholders in FHA Transactions

### NEWS AND UPDATES

#### FHA Connection System Updates Include New 203(k) Calculator and More

On April 18, 2016, the Federal Housing Administration (FHA) implemented a series of updates to its FHA Connection (FHAC) system, including the launch of its new 203(k) Calculator that automates Maximum Mortgage Amount calculations required for both the Standard and Limited 203(k) programs, as well as additional FHAC screen enhancements. These changes correspond with [Single Family Housing Policy Handbook 4000.1](#) (SF Handbook) updates published on March 14, 2016.

#### **Two Ways to Access the 203(k) Calculator**

The new 203(k) Calculator is accessible in both a public version on HUD.gov and a secure version within the FHAC system:

- **Public version:** this [web-based version](#) allows all interested parties to work with the calculator when developing scenarios for 203(k) mortgages **before an FHA case number is obtained**. Results can be viewed and printed, but they cannot be downloaded or saved.
- **FHAC version:** accessible from FHAC's Case Processing page only after signing on to the system using a valid FHAC identification number and password, this version also requires that the mortgagee has a valid FHA case number, and:
  - Based on information entered into the calculator, will pre-populate certain fields in the calculator from the Case Number Assignment, Appraisal Logging, and/or FHA TOTAL Mortgage Scorecard screens in FHAC.
  - Upon successful processing of the 203(k) Calculator page, the calculator saves the results and uses data from the calculator to pre-populate certain fields in the FHAC Insurance Application Screen.

#### **Using the 203(k) Calculator**

As announced with FHA's [March 14, 2016, SF Handbook update](#), mortgagees may begin using the 203(k) Calculator as of today, but **must** use the calculator version within FHAC prior to endorsement for all 203(k) transactions with case numbers assigned on and after October 31, 2016. Mortgagees should thoroughly review the April 18, 2016, [FHA Connection Release Notes](#) for detailed information about using the calculator.

Mortgagees are also encouraged to attend the *FHA Connection 203(k) Calculator and Other System Enhancements* webinar for a more in-depth discussion covering the functionality of the 203(k) Calculator. Information about accessing this live webinar on April 28, 2016, is included at the end of this article.

At this time, FHA's 203(k) Maximum Mortgage Calculation sample resource documents remain available on the [203\(k\) Sample Documents](#) web page; however, FHA intends to remove these documents in the future.

### **Other FHAC System Updates Implemented on April 18, 2016**

In addition to the 203(k) Calculator, FHA implemented other changes to the following FHAC screens:

- **Appraisal Logging:** includes changes to coincide with the implementation of the 203(k) Calculator; addition of a new Appraisal Type field; and, changes to certain other drop-down menus to include appraisal type.
- **Insurance Application:** includes changes to error messages, certain drop-down menus, and data fields to coincide with the implementation of the 203(k) Calculator; other changes to accommodate recent FHA policy updates, including Building on Own Land, and Energy Efficient Homes.
- **Escrow Closeout:** includes addition of new fields; modification of existing fields; and, additions and revisions to drop-down menus to accommodate escrow closeout policies announced with FHA's March 14, 2016, SF Handbook update. Mortgagees **may** begin using the Escrow Closeout functionality in FHAC as of April 18, 2016, but **must** use this functionality FHAC for all case numbers assigned on and after October 31, 2016.

Mortgagees and others should review the April 18, 2016 [FHA Connection Release Notes](#) for more information on these and other FHAC changes.

### **FHA Connection Systems Enhancements Webinar**

Mortgagees and other stakeholders in FHA transactions are invited to participate in a live webinar training session on the April 28, 2016, FHAC system updates. This webinar will provide a detailed overview for FHAC users on the new functionality, screen changes, and other FHAC system updates, including how these changes relate to FHA policy.

- **Title:** FHA Connection 203(k) Calculator and Other System Enhancements
- **Date:** April 28, 2016
- **Time:** 2:00 PM – 4:30 PM (Eastern)
- **Webinar Access:** <https://www.webcaster4.com/Webcast/Page/753/13873>

### **Quick Links**

- Review the April 18, 2016, *FHA Connection Release Notes* at: [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/housing/sfh/lender/origination/case\\_processing\\_req](http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/lender/origination/case_processing_req)
- Access the public version of the 203(k) Calculator at: <https://entp.hud.gov/idapp/html/f17203k-look.cfm>
- Access the SF Handbook in its online or portable document format (PDF) from HUD's Client Information Policy Systems (HUDCLIPS) Housing Handbooks web page at: [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/administration/hudclips/handbooks/hsg](http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/handbooks/hsg)

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### **Resources**

- Contact the FHA Resource Center:
  - Visit our online knowledge base to obtain answers to frequently asked questions 24/7 at: [www.hud.gov/answers](http://www.hud.gov/answers).
  - E-mail the FHA Resource Center at [answers@hud.gov](mailto:answers@hud.gov). Emails and phone messages will be responded to during normal hours of operation, 8:00 AM to 8:00 PM (Eastern), Monday through Friday on all non-Federal holidays.
  - Call 1-800-CALLFHA (1-800-225-5342). Persons with hearing or speech impairments may reach this number by calling the Federal Relay Service at 1-800-877-8339.

## RESOURCE INFORMATION

<b>FHA INFO Archives:</b>	Visit the <a href="#">FHA INFO Archives</a> to access FHA INFO messages issued from 2012 to the present.														
<b>Subscribe/Unsubscribe Instructions:</b>	To subscribe to the Single Family FHA INFO mailing list you can use this link: <a href="#">FHA INFO</a> or send a request by email to: <a href="mailto:answers@hud.gov">answers@hud.gov</a> Bulk subscriptions: To sign up your entire office or a large group, send the list of email addresses (in the format below) to: <a href="mailto:answers@hud.gov">answers@hud.gov</a> <a href="mailto:aaa@xyz.com">aaa@xyz.com</a> <a href="mailto:bbb@xyz.com">bbb@xyz.com</a> <a href="mailto:ccc@xyz.com">ccc@xyz.com</a> <a href="#">To Unsubscribe</a> follow the unsubscribe instructions on that page.														
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