



**TO: All FHA-Approved Mortgagees; All Stakeholders in FHA Transactions**

## NEWS AND UPDATES

**In this Announcement:**

- Implementation of Condominium Project Approval Owner Occupancy Requirement
- New Webinar Training on Updates to Loss Mitigation Retention Options and Miscellaneous Mortgage Servicing Policy

See below for details.

### Implementation of Condominium Project Approval Owner Occupancy Requirement

Today, the Federal Housing Administration (FHA) published [Mortgagee Letter 2016-15](#) which establishes FHA's condominium project approval owner occupancy percentage requirement, as mandated by the *Housing Opportunity through Modernization Act of 2016* (HOTMA). FHA believes this requirement offers a balanced approach between providing affordable, sustainable housing opportunities and managing risk to FHA's Mutual Mortgage Insurance Fund (MMIF).

Specifically, Mortgagee Letter 2016-15 amends FHA's *Condominium Project Approval and Processing Guide*, and:

- Clarifies the definition of owner occupancy;
- Establishes conditions under which FHA will allow owner occupancy in Existing Projects as low as 35 percent, and retains a generally applicable 50 percent owner occupancy requirement for all other Existing Projects; and
- Retains a minimum owner occupancy requirement of 30 percent of the declared units in Proposed and Under Construction Condominium Projects.

Provisions contained in the Mortgagee Letter are effective immediately upon publication for all condominium project approval, recertification, annexation, or reconsideration applications submitted for review.

#### [Quick Links](#)

- Review Mortgagee Letter 2016-15 at: <http://portal.hud.gov/hudportal/documents/huddoc?id=16-15ml.pdf>
- Access FHA's self-paced, pre-recorded training webinar, *Navigating the FHA Condominium Project Approval Process*, recorded on September 21, 2016, from the Single Family Housing Pre-Recorded Training web page at: [http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/housing/sfh/events/sfh\\_hb\\_webinars](http://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/events/sfh_hb_webinars)

## New Webinar Training on Updates to Loss Mitigation Retention Options and Miscellaneous Mortgage Servicing Policy

**Webinar Title:** **NEW** **Updates to FHA Loss Mitigation Retention Options and Miscellaneous Mortgage Servicing Policy (Mortgagee Letter 2016-14)**

**Date/Time:** This online webinar will be conducted at **2:00 PM (Eastern)** on the following dates (*please register for only one date*):

- Monday, October 31, 2016
- Wednesday, November 9, 2016
- Tuesday, November 15, 2016
- Wednesday, November 16, 2016
- Wednesday, November 30, 2016
- Thursday, December 1, 2016
- Tuesday, December 13, 2016

**Event Location:** Online Webinar – Free

**Registration Link:** <https://attendee.gotowebinar.com/rt/7051020012812711684>. (*This registration link is valid for all dates.*)

**Description:** This free online webinar will cover the updates to FHA Loss Mitigation Retention Options and Miscellaneous Mortgage Servicing Policy announced in Mortgagee Letter 2016-14. Mortgagees must implement the policies set forth in Mortgagee Letter 2016-14 no later than December 1, 2016. This webinar is open to FHA-approved Servicers and FHA-approved Housing Counselors.

**Special Instructions:** **To ensure all interested stakeholders have an opportunity to attend, please register for only one date.** A valid company email address and the FHA 5-digit Lender and/or Agency ID are required at the time of registration. For additional information, send an e-mail to: [stacey.a.brown@hud.gov](mailto:stacey.a.brown@hud.gov).

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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

**FHA INFO Archives:** Visit the [FHA INFO Archives](#) to access FHA INFO messages issued from 2012 to the present.

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**Instructions:**

[INFO](#) or send a request by email to: [answers@hud.gov](mailto:answers@hud.gov)

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