TO: All FHA-Approved Mortgagees Servicing Home Equity Conversion Mortgages

NEWS AND UPDATES

Home Equity Conversion Mortgage Servicing Implementation Guidance Issued Today

Today, the Federal Housing Administration (FHA) published Mortgagee Letter 2017-11, Implementation of HUD’s January 2017 Home Equity Conversion Mortgage (HECM) Final Rule, which serves as a consolidated directive for those mortgagees required to implement certain servicing policy changes contained in the HECM final rule (see 82 FR 7094) published in the Federal Register on January 19, 2017.

Specifically, this Mortgagee Letter provides more detail on the following three areas of servicing policy included in the HECM final rule:

- Default for Unpaid Property Charges;
- Sale of Property Securing a Due and Payable HECM; and
- Cash for Keys Incentive and Relocation Incentive.

The HECM final rule’s servicing requirements, including the additional guidance contained in Mortgagee Letter 2017-11, will take effect for all FHA case numbers assigned on or after September 19, 2017. Mortgagees should review the final rule in preparation for implementing these and all other origination and servicing requirements by September 19th.

System Changes
To accommodate the implementation of the servicing policies contained in the final rule, operational and functional changes will be made to FHA systems, including the Home Equity Reverse Mortgage Information Technology (HERMIT) system. FHA will communicate more details about the specific systems changes, and their implementation date, in the future.

Quick Links
- Review the HECM final rule in the Federal Register at: https://www.federalregister.gov/documents/2017/01/19/2017-01044/federal-housing-administration-strengthening-the-home-equity-conversion-mortgage-program
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.
- E-mail the FHA Resource Center at: 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.

<table>
<thead>
<tr>
<th>RESOURCE INFORMATION</th>
</tr>
</thead>
<tbody>
<tr>
<td>FHA INFO Archives:</td>
</tr>
<tr>
<td>Subscribe/Unsubscribe Instructions:</td>
</tr>
<tr>
<td>To Unsubscribe</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Resource Links:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Archived Webinars</td>
</tr>
<tr>
<td>Career Opportunities</td>
</tr>
<tr>
<td>Contracting Opportunities</td>
</tr>
<tr>
<td>Events &amp; Training</td>
</tr>
<tr>
<td>FHA Forms</td>
</tr>
<tr>
<td>FHA Homeownership Centers</td>
</tr>
<tr>
<td>FHA Mortgagee Letters</td>
</tr>
<tr>
<td>Foreclosure Assistance</td>
</tr>
<tr>
<td>Grant Opportunities</td>
</tr>
<tr>
<td>HUD Homes Property Listings</td>
</tr>
<tr>
<td>HUD.gov</td>
</tr>
<tr>
<td>Making Home Affordable</td>
</tr>
<tr>
<td>Presidentialy Declared Disaster Areas</td>
</tr>
<tr>
<td>Visit our Single Family Home Page</td>
</tr>
</tbody>
</table>

We hope that you will want to continue receiving information from HUD. We safeguard our lists and do not rent, sell, or permit the use of our lists by others, at any time, for any reason.
Connect with HUD on Social Media and follow Secretary Carson on Twitter and Facebook.