



MEMORANDUM

VIA E-MAIL

TO: All Participating Lenders

FROM: Kay Bowe *KB*
Underwriting Manager

DATE: Monday, March 15, 2021

SUBJECT: FHA Loans/ML 2020-49

For our lenders using FHA to insure the Fund's Homeownership and Movin' Up loans, we will follow the information provided in the attached FHA Mortgagee Letter 2020-49. There are several new and/or revised forms based on the assignment date of the case number.

Effective on 3/22/2021, all FHA loans submitted to the Fund's underwriting department for Federal Compliance Review will require documentation reflecting the assignment of the case number. The new and revised documentation will be required on all loans where the case number was assigned on and after the 3/22/2021 date.

For our Delegated Lenders, please make sure this documentation and appropriate documents are provided in the closed loan package.

Thank you for your attention to this matter. We appreciate your partnership.



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-8000

ASSISTANT SECRETARY FOR HOUSING
FEDERAL HOUSING COMMISSIONER

Date: December 22, 2020

Mortgagee Letter 2020-49

To: All FHA-Approved Mortgagees
All Direct Endorsement Underwriters
All Eligible Submission Sources for Condominium Project Approvals
All FHA Roster Appraisers
All FHA-Approved 203(k) Consultants
All HUD-Approved Housing Counselors
All HUD-Approved Nonprofit Organizations
All Governmental Entity Participants
All Real Estate Brokers
All Closing Agents

Subject Revised Form HUD-92900-A, HUD Addendum to Uniform Residential Loan Application

Purpose This Mortgage Letter announces the publication of a revised Form HUD-92900-A, (92900-A) HUD Addendum to Uniform Residential Loan Application (URLA). This Mortgage Letter also announces the renewal of other FHA Insured Mortgage Application forms.

Effective Date Mortgagees may use the revised and renewed forms immediately and must use the revised and renewed forms for case numbers assigned on or after March 22, 2021

Public Feedback HUD welcomes feedback from interested parties for a period of 30 calendar days from the date of issuance. To provide feedback on this policy document, please send feedback to the FHA Resource Center at answers@hud.gov. HUD will consider the feedback in determining the need for future updates.

Mortgagee Letter 2020-49, Continued

Affected Programs

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Background

The Federal Housing Administration (FHA) is revising its Form HUD 92900-A, Addendum to the URLA, as part of a wider effort included in the Housing Finance Reform plan to provide clarity and certainty to its program participants while also managing risk to the Mutual Mortgage Insurance Fund. To that end, FHA has undertaken to align the certifications in the Form HUD 92900-A with information required by law. FHA has determined that revising the 92900-A to capture this information will improve the ability of program participants as well as borrowers to comply with the required certifications. The use of Form 92900-A is required by 24 CFR 203.255(b) and 24 CFR 206.115 for all Single Family Forward Mortgages and Home Equity Conversion Mortgages (HECM).

Summary of Changes

The loan level certifications on form HUD-92900-A are revised to better reflect regulatory and other legal requirements, ensure accuracy of information provided to FHA and reduce uncertainty in the industry. With this revision:

- FHA and the U.S. Department of Veterans Affairs (VA) have discontinued sharing the 92900-A.
 - Pages one and two now obtain consent from the borrower to verify their social security number and provide important disclosures regarding:
 - the Public Reporting Burden for purposes of the Paperwork Reduction Act;
 - the Privacy Act of 1974;
 - Delinquencies, Defaults, Foreclosures and abuses; and
 - the Fair Housing Act of 1968.
 - A warning about false certifications has also been added to the first page.
 - Page three requires certifications consistent with 24 CFR 203.255(b) from the:
 - Mortgagee representative and the Direct Endorsement (DE) Underwriter for the appraisal when the mortgage receives an approval from FHA's TOTAL Mortgage Scorecard, and
 - DE Underwriter for manually underwritten loans.
 - Page four now requires a post-closing certification from the Mortgagee representative prior to submission of the loan to FHA for insurance endorsement as required by 24 CFR 203.255(b).
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Additionally, the following forms and model documents have been renewed and where applicable contain a new expiration date:

- HUD-92900-B, Important Notice to Homebuyers;
 - HUD-92900-LT, FHA Loan Underwriting and Transmittal Summary;
 - HUD-92561, Borrower's Contract with Respect to Hotel and Transient Use of Property;
 - HUD-92544, Warranty of Completion of Construction
 - Model Notice for Informed Consumer Choice Disclosure;
 - Model Pre-Insurance Review/Checklist;
 - Settlement Certification (previously known as Addendum to HUD-1)
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**Single Family
Housing Policy
Handbook
4000.1**

Throughout Handbook 4000.1, the title of form HUD-92900-A will be changed from “**HUD/VA Addendum to the URLA**” to “**HUD Addendum to the URLA.**”

**Single Family
Housing Policy
Handbook
4000.1**
(continued)

The following Handbook 4000.1 section will be removed in its entirety:

New Construction – Completion of Construction (II.A.8.i.viii)
Regardless of the inspection process used, the Mortgagee must certify on form HUD-92900-A, HUD/VA Addendum to Uniform Residential Loan Application, that the Property is 100 percent complete and meets HUD’s MPR and MPS.

**Paperwork
Reduction Act**

The information collection requirements contained in this document have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and assigned OMB Control Number 2502-0059. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB Control Number.

Mortgagee Letter 2020-49, Continued

Questions

Any questions regarding this Mortgagee Letter may be directed to the FHA Resource Center at 1-800-CALL-FHA. Persons with hearing or speech impairments may reach this number by calling the Federal Relay Service at 1-800-877-8339. For additional information on this Mortgagee Letter, please visit www.hud.gov/answers.

Signature

Dana T. Wade
Assistant Secretary for Housing –
Federal Housing Commissioner