

**FHA INFO #18-52**  
**December 26, 2018**

**TO: All Interested Stakeholders in FHA Transactions**

## NEWS AND UPDATES

### **FHA Single Family Housing Operations and Systems Availability During Government Shutdown**

As a result of the Federal Government shutdown due to a lapse in appropriations, until further notice the Federal Housing Administration's (FHA) Office of Single Family Housing and its mortgage insurance program will be operating with limited services. As was the case in previous shutdowns, under a lapse in funding, FHA's actions and decisions **about which operations continue, or not**, are governed by the Constitution, statutory provisions, court opinions, and Department of Justice (DOJ) Opinions, which provide the legal framework for how funding gaps and shutdowns have occurred in recent decades.

While some services will continue to be operational, please note that across the board, the services that remain available during the shutdown will have significant impacts to customer service and/or limited functionality.

Please see the information below for an overview of the business impacts **specific to the Office of Single Family Housing and its Single Family mortgagees, Title I lenders, and other stakeholders in FHA single family transactions**. Full descriptions and details can be found in the Department of Housing and Urban Development's (HUD) [Contingency Plan for Possible Lapse in Appropriations](#) document posted on [HUD.gov](#).

The FHA Resource Center's online FAQ site has been updated to include additional information about operations and systems availability during the shutdown (keyword "shutdown").

#### **Customer Service**

The following **will be available** for general inquiries during the shutdown, but with limited staff assistance available, longer wait times for assistance, and limited ability to answer case-specific questions:

- The FHA Resource Center:
  - The Resource Center's [online FAQ site](#) will be available, but will not be updated for the duration of the shutdown;
  - By email at [answers@hud.gov](mailto:answers@hud.gov); and
  - By phone at (800) 225-5342.
- The FHA National Servicing Center, by phone at (877) 622-8525.

## **Insurance Endorsements**

- Insurance endorsements **will continue** for Title II forward mortgages only; and
- Insurance endorsements **will not be made** for Home Equity Conversion Mortgages (HECM) or Title I loans for the duration of the shutdown.

## **Lender Certification, Monitoring, and Quality Assurance Processes**

The following process **will be available** during the shutdown, but with limited staff assistance available, and longer wait times for assistance:

- Notice of Return violation reviews on pre-endorsement loans.

The following processes **will be unavailable** for the duration of the shutdown:

- Annual Recertification: lenders must continue to complete the required annual certification process in accordance with existing policy in the FHA *Single Family Housing Policy Handbook* 4000.1 (SF Handbook); however, the submission will not be reviewed or approved for the duration of the shutdown;
- Application for FHA Lender Approval: applications may be submitted in accordance with existing policy in the SF Handbook; however, the submission will not be reviewed or approved for the duration of the shutdown;
- Request for Post-Approval Changes: may be submitted in accordance with existing policy in the SF Handbook; however, changes requiring FHA action will not be reviewed for the duration of the shutdown;
- Requests for Supplemental Mortgage Authority: may be submitted in accordance with existing policy in the SF Handbook; however, the submission will not be reviewed for the duration of the shutdown; and
- Quality Assurance processes (Loan and Lender Monitoring Activities) will not take place for the duration of the shutdown.

## **Other Participants in FHA Transactions**

The following processes **will be available** during the shutdown, but with limited staff assistance available and longer wait times for assistance:

- FHA Appraiser Roster look-up functionality;
- FHA 203(k) Consultant Roster look-up functionality; and
- FHA-approved Non-Profit look-up functionality.

The following processes **will be unavailable** for the duration of the shutdown:

- FHA Appraiser Roster new application, reinstatement, and recertification processing;
- FHA 203(k) Consultant Roster new application, reinstatement, and recertification processing; and
- Non-Profit new application, reinstatement, and recertification processing.

## **Pre-Endorsement Loan Processes**

The following pre-endorsement loan processes **will be available** during the shutdown, but with limited staff assistance available and longer wait times for assistance:

- Condominium Project approvals under the Direct Endorsement Lender Review and Approval Process (DELRAP);

- Manual endorsement actions: case number cancellations, reinstatements, and transfers; resolution of the Holds Tracking queue; and
- TOTAL Mortgage Scorecard evaluations.

The following processes **will be unavailable** for the duration of the shutdown:

- Condominium Project approvals under the HUD Review and Approval Process (HRAP); and
- Test Case Loan Submission.
- HECM Collateral Risk Assessment issue assistance. If the appraisal was completed under the Interim Protocols, the appraisal and loan processes must continue under the Interim Protocol path. If the appraisal is subject to the Fully-Automated Protocols, it must follow those processes through endorsement.

### **Servicing, Claims, and Asset Management**

The following servicing, claims, and asset management business processes **will be available** during the shutdown, but with limited staff assistance available and longer wait times for assistance:

- Submissions of upfront Mortgage Insurance Premiums (MIP) for new endorsements (note that lenders are required to submit monthly MIP during the shutdown);
- MIP refunds to borrowers;
- Claims filing and payments;
- Conveyance of properties;
- HECM payments to borrowers;
- HUD Real Estate Owned listings; and
- Servicing of HUD Secretary-held notes and mortgages.

The following processes **will be unavailable** for the duration of the shutdown:

- HUD Broker Name and Address Identification Number (NAIDs) application processing; and
- Extension and variance processing in the Extensions and Variances Automated Requests System (EVARS) by the National Servicing Center.

### **Technology Systems**

The following systems **will be available** for use, but with limited capability for actions that require FHA staff intervention:

- FHA Connection (FHAC), including obtaining an FHA Case Number;
- Loan Review System (LRS);
- Neighborhood Watch Early Warning System (SFNW); however, data will not be updated for the duration of the shutdown;
- Single Family Insurance System (SFIS) and Insurance Claims Subsystem (CLAIMS);
- Lender Electronic Assessment Portal (LEAP); however, FHA will be unable to approve FHA applications, perform lender certifications, or review or process any audited financial statements;
- Credit Alert Verification Reporting System (CAIVRS); however, FHA may not be able to ensure that the information contained in the system is up-to-date;
- Electronic Appraisal Delivery (EAD) portal; available for existing lender users only;
- Electronic Data Interchange (EDI);

- [Extension and Variance Automated Requests System \(EVARS\)](#): requests may be submitted; however, FHA staff will not be available to process requests;
- Home Equity Reverse Mortgage Information Technology (HERMIT);
- Single Family Default Monitoring System (SFDMS)
- P260 Lender Portal; and
- Title I Insurance and Claims System (TIIS).

The following FHA system **will be unavailable** for the duration of the shutdown:

- Electronic Appraisal Delivery (EAD) portal onboarding for new lender users.

### **Training, Events, and Conference Presence**

FHA will be unable to host any live or real-time web-based training events scheduled during the shutdown. Pre-recorded webinars will remain available on the [Single Family Self-Paced, Pre-Recorded Training](#) web page on [HUD.gov](#), but will not be updated for the duration of the shutdown. Further, FHA staff scheduled to present at, or registered to attend conferences and other events, will be unable to do so for the duration of the shutdown.

### **Quick Links**

- HUD's [Contingency Plan for Possible Lapse in Appropriations](#) document posted on [HUD.gov](#) at: <https://www.hud.gov/sites/documents/HUDCONTINGENCYPLANFINAL.PDF>

### **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.

<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.
<b>Resource Links:</b>	<a href="#">FHA Archived Webinars</a> <a href="#">Foreclosure Assistance</a>

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Disaster Areas](#)

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