



## FHA's Office of Single Family Housing Training Module

# Single Family Housing Policy Handbook: FHA Connection (FHAC) System Changes

September 22, 2015

Last Updated: 9/10/2015

The information in this document is current as of the Last Update date noted above. This document does not establish or modify the policy contained in FHA's Handbooks and Mortgage Letters in any way.

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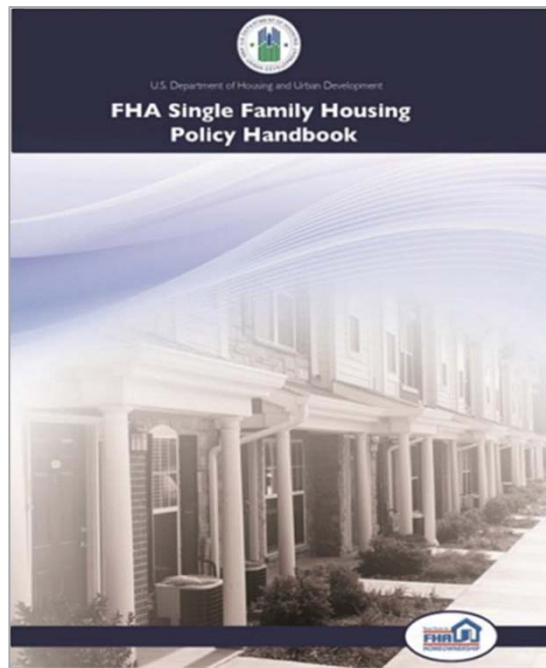


# Agenda

- Call Welcome and Introduction of Speakers
- Single Family Handbook Systems Changes Overview
- Screen Changes and Enhanced Functionality
  - Case Number Assignment
  - Insurance Application
  - Escrow Closeout
  - EEM Calculator
  - Case Query
- Questions and Answers



## Overview



- Monday, September 14, 2015 marks the official implementation of FHA's new *Single Family Housing Policy Handbook* (SF Handbook; HUD Handbook 4000.1), a consolidated, consistent, and comprehensive single source for FHA single family housing policy.
- In conjunction with the Handbook implementation, enhancements have been made to the FHA Connection (FHAC), which also go into effect September 14, 2015.



## Support Access to Credit



The new handbook and FHAC enhancements support FHA's Access to Credit.

- A key part of Blueprint for Access.
- Mitigate defects and improve origination quality.
- Support increased originations of FHA mortgages.
- Make it easier to do business with FHA.



# FHAC Screen Changes and Enhanced Functionality

- The bulk of the changes to FHAC are included in the following screens:
  - Case Number Assignment
  - Appraisal Logging
  - Insurance Application
- The remaining changes offer enhanced functionality for:
  - Escrow Closeout
  - EEM Calculator
  - Case Query



# CASE NUMBER ASSIGNMENT CHANGES



## Case Number Assignment: Secondary Residence

- The **Is this a HUD Approved Secondary Residence?** field was added to **Case Number Assignment** screen to specify whether the dwelling is a secondary residence.
- Refer to HUD Handbook 4000.1 for policy requirements for a secondary residence.
- **Insurance Application** cannot be accessed and the case endorsed until the secondary residence is approved by the HUD Homeownership Center (HOC).





# Case Number Assignment: Secondary Residence (cont.)

**Case Number Assignment** Help Links ?

**\* General Information \***

Field Office:  Lender Case Ref:


Is this a Sponsored Originator Case?



Originator ID:   Sponsor/Agent ID:  


Loan Officer Name: First Name:  MI:  Last Name:  Suffix:

Loan Officer NMLS ID:

Case Type:  Construction Code:  Processing Type:  Financing Type:

Is this a HUD Approved Secondary Residence?  

ADP Code:   Living Units:     Loan T

**New** 





## Case Number Assignment: Secondary Residence (cont.)

Is this a HUD Approved Secondary Residence?

No  
No  
Yes, awaiting HOC approval

*The lender selects **No** or **Yes, awaiting HOC approval** from the drop-down list in the **Is this a HUD Approved Secondary Residence?** field*



## Case Number Assignment: Secondary Residence (cont.)

If *Yes, awaiting HOC approval* is selected:

- **Insurance Application** cannot be accessed until the secondary residence is approved by the HOC. The case cannot be endorsed for FHA insurance.
- The lender provides the HOC with the required documentation on the secondary residence.
- A HOC staff member makes a determination based on the criteria established in Handbook 4000.1.
- A authorized HOC staff member enters the approval of a secondary residence.



# Case Number Assignment: Secondary Residence (cont.)

Once approved, the **Is this a HUD Approved Secondary Residence?** field is view only.

### Case Number Assignment Update

**SUCCESS**

ALL BORROWERS PASSED SSN VALIDATION -NAME, SSN OR DOB CHANGES WILL REVALIDATE

Help Links ?

Other Functions

Case Number Assigned on: 07/20/2015

**FHA Case Number: 371-8888888**

**\* General Information \***

Field Office: Albany, NY      Lender Case Ref:

Is this a Sponsored Originator Case? No

Originator ID: 8888800008      Sponsor/Agent ID: Not Entered  
YOU CAN BANK ON US INC  
NEW YORK NY 100202003

NMLS ID: 123456789

Loan Officer Name:      First Name:       MI:       Last Name:       Suffix:

Loan Officer NMLS ID:

Case Type:        Construction Code:        Processing Type:        Financing Type:

**Is this a HUD Approved Secondary Residence? Approved** ←

ADP Code:        Living Units:       Program ID:        Loan Term:





## Case Number Assignment: Secondary Residence (cont.)

Is this a HUD Approved Secondary Residence? **Approved**

*Approved is displayed and the field is now view only*

Is this a HUD Approved Secondary Residence? **No**

*No is displayed for case numbers assigned prior to September 14, 2015, or for non-secondary residence cases*



# Case Number Assignment: Refinance Case

## Case Number Assignment

Help Links ?

### \* General Information \*

Field Office: Albany, NY  Lender Case Ref:

Is this a Sponsored Originator Case? No

Originator ID:  8888800008  Sponsor/Agent ID:

Loan Officer Name: First Name: CAROL MI:  Last Name: CARROLLTON

Loan Officer NMLS ID: 5555555555

If Purchase: Was this case previously sold as Real Estate Owned (previously sold by HUD)?  Yes  No

If Refinance: Specify type of refinance: Prior FHA

**New**



### \* As Required \*

All Refinances: (a) Select FHA to FHA Refinance Type:  Not Streamline - N/A

(b) Is this a Cash-out Refinance:  Yes  No  Not Streamline - N/A

Prior FHA and prior REO cases: Enter case number of  Streamline (w/o Appraisal)

Simple (w/ Appraisal)

203k Consultant ID:   203k Type: N/A

**Refinances: (a) Select streamline refinance type**  
field title was changed to **All Refinances: (a) Select FHA to FHA Refinance Type** in the As Required section of Case Number Assignment.

It is effective for mortgages assigned a case number on or after September 14, 2015.





## Case Number Assignment: Refinance Case (cont.)

The **All Refinances**: (a) **Select FHA to FHA** field has three options:

- ***Not Streamline – N/A***: Is used to indicate that the prior mortgage was FHA-insured but the new mortgage is *not a streamline nor a simple refinance case, or where the refinance is not an FHA-to-FHA refinance*.  
**Note**: This is the default for all case types.
- ***Streamline (w/o Appraisal)***: No cash-out refinance of an existing FHA-insured mortgage requiring limited borrower credit documentation and underwriting. An appraisal is not required.
- ***Simple (w/ Appraisal)***: No cash-out refinance of an existing FHA-insured mortgage. An appraisal is required and the case must be scored through TOTAL Scorecard.



## Case Number Assignment: Refinance Case (cont.)

*(a) Select FHA to FHA Refinance Type field was formerly labeled (a) Select streamline refinance type and now displays these new options*

All Refinances: (a) Select FHA to FHA Refinance Type: Not Streamline - N/A  
(b) Is this a Cash-out Refinance:  Yes: Not Streamline - N/A  
Streamline (w/o Appraisal)  
Simple (w/ Appraisal)

For mortgages assigned a case number *prior* to September 14, 2015, **Case Number Assignment Update** retains the original field name, **All Refinances: (a) Select streamline refinance type**, and options (*Not Streamlined, w/o Appraisal, and Appraisal Required*).



## Case Number Assignment: Refinance Case (cont.)

For **(b) Is this a Cash-out Refinance**, **Yes** or **No** can be selected for **Not Streamline – N/A**

All Refinances: (a) Select FHA to FHA Refinance Type: Not Streamline - N/A  
(b) Is this a Cash-out Refinance:  Yes  No

For **(b) Is this a Cash-out Refinance**: **No** must be selected for: **Streamline (w/o Appraisal)** or **Simple (w/Appraisal)**

All Refinances: (a) Select FHA to FHA Refinance Type: Streamline (w/o Appraisal) ▼  
(b) Is this a Cash-out Refinance:  Yes  No

All Refinances: (a) Select FHA to FHA Refinance Type: Simple (w/ Appraisal) ▼  
(b) Is this a Cash-out Refinance:  Yes  No





## Case Number Assignment: 203(k) Program

The changes for the 203(k) Rehabilitation Mortgage Insurance program are as follows:

- The **Streamline 203(k)** was renamed **Limited 203(k)**
- A new **203k Type** field was added to the As Required section of **Case Number Assignment** with the following options:
  - *N/A (default)*
  - *Limited*
  - *Standard*



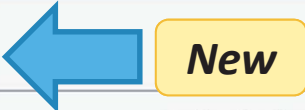


# Case Number Assignment: 203(k) Program (cont.)

**Case Number Assignment** Help Links ?

**\* General Information \***  
Field Office: Albany, NY  Lender Case Ref:   
Is this a Sponsored Originator Case? No   
Originator ID:  8888800008  Sponsor/Agent ID:   
Loan Officer Name: First Name: ADAM MI:  Last Name: ADAMSON Suffix: Select Suffix   
Loan Officer NMLS ID: 77777777   
Case Type: Regular DE  Construction Code: Substantial Rehabilitation  Processing Type: N/A  Financing Type: N/A

**\* As Required \***  
All Refinances: (a) Select FHA to FHA Refinance Type: Not Streamline - N/A   
(b) Is this a Cash-out Refinance:  Yes  No  
Prior FHA and prior REO cases: Enter case number of previous case:  -   
203k Consultant ID: 203KS  203k Type:  N/A       
PUD/Condo Indicator: N/A  PUD/Con:  Submission:  Site Condo: N/A





# Case Number Assignment: 203(k) Program (cont.)

## Case Number Assignment

Help Links ?

### \* General Information \*

Field Office:	Albany, NY	Lender Case Ref:	
Is this a Sponsored Originator Case?	No	Sponsor/Agent ID:	
Originator ID:	8888800008	Loan Officer Name:	First Name: ADAM MI: Last Name: ADAMSON Suffix: Select Suffix
Loan Officer NMLS ID:	77777777	Case Type:	Regular DE
Construction Code:	Substantial Rehabilitation		

**Construction Code** must be **Substantial Rehabilitation** if **203(k) Type** is **Limited** or **Standard**

### \* As Required \*

All Refinances:	(a) Select FHA to FHA Refinance Type: Streamline - N/A						
	(b) Is this a Cash-out Refinance: <input type="radio"/> Yes <input checked="" type="radio"/> No						
Prior FHA and prior REO cases:	Enter case number of previous case: -						
203k Consultant ID:	203KS	203k Type:	Limited				
PUD/Condo Indicator:	N/A	PUD/Condo ID:		Submission:		Site Condo:	N/A





## Case Number Assignment: 203(k) Program (cont.)

**New 203k Type field**

203k Consultant ID:        203k Type:

N/A  
Limited  
Standard

*For a Limited 203(k), **203KS** must be entered in the **203k Consultant ID** field if a 203K consultant is NOT used. If a 203(k) consultant is used, the consultant's ID is entered.*



## Case Number Assignment: 203(k) Program (cont.)

*For mortgages assigned a case number before September 14, 2015, the **203k Type** field displays **N/A** and is view only*

203k Consultant ID: ABC12  
ERNEST, ERNESTA



203k Type: N/A



## Case Number Assignment Topics Discussed

- ✓ Secondary Residence
- ✓ FHA-to-FHA refinance indicator
- ✓ Refinance Type – *Simple (w/Appraisal)*
- ✓ 203(k) Type – *Limited 203(k)*





# FHA Connection Help

**Help Links** provide access to help information for the displayed page

**Case Number Assignment**

**Help Links** ?

**\* General Information**

Field Office: Albany, NY

Is this a Sponsored Originator Case? No

Originator ID: 8888800008

Lender Case Ref: \_\_\_\_\_

Sponsor/Agent: \_\_\_\_\_

## FHA Connection

[Business Background](#)  
General background information on this application including the business model and function of this screen in the overall process.

[Steps for Processing](#)  
Steps required to complete this portion of the business process.

[Field Descriptions](#)  
Detailed descriptions of all of the fields and their contents on this screen. Includes data validation rules and format for all data.

[Help Index](#)  
Alphabetical index of all FHA Connection Single Family Origination help.

Close

Comments or Questions [<SF Administration>](#)



# APPRAISAL LOGGING CHANGES





## Appraisal Logging: Borrower Paid Repairs

- For case numbers assigned on or after September 14, 2015, the **Borrower Paid Appraiser Required Repairs** field was added to **Appraisal Logging**.
- The field collects the amount of borrower paid repairs required by the appraiser to meet HUD's Minimum Property Requirements (MPR).
- It is only applicable to a *purchase* case.





# Appraisal Logging: Borrower Paid Repairs (cont.)

**Appraisal Logging Update** Help Links ?  
Other Functions

FHA Case Number: 371-777777

**\* Property Information \***

Address: 123 CHUMS PL , FRIENDSHIP , NY 147390000

Construction Code: Existing Construction

PUD:  Yes  No

Year Built: /1980

Effective Age: 25

Appraisal Received Date: / /

Date of Contract: / / Contract Price: 205000

**Borrower Paid Appraiser Required Repairs: 525** New

**\* Neighborhood Fields \***

Location: Suburban Predominant Neighborhood Price: 200000

%Land Use: One-Unit: 70 2-4 Unit: Multi-Family: 15 Commercial: 15





## Appraisal Logging: Borrower Paid Repairs (cont.)

Borrower Paid Appraiser Required Repairs:

*New **Borrower Paid Appraiser Required Repairs** field. For a PURCHASE case, the cost of required repairs is entered (up to 99999). The default is zero (0).*



# Appraisal Logging: Prior Sale Information

**Prior Sale Information** is currently required for *all* cases for **Appraisal Logging**.

Uniform Residential Appraisal Report				File #
The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.				
Property Address	City	State	Zip Code	
Borrower	Owner of Public Record	County		
Legal Description				
Assessor's Parcel #	Tax Year		Taxes \$	
Neighborhood Name	Map Reference			
Occupant: <input type="checkbox"/> Owner <input type="checkbox"/> Tenant <input type="checkbox"/> Vacant	Special Assessments \$		per <input type="checkbox"/> year <input type="checkbox"/> per month	
Property Rights Appraised: <input type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Other (describe)				
Assignment Type: <input type="checkbox"/> Purchase Transaction <input type="checkbox"/> Refinance Transaction <input type="checkbox"/> Other (describe)				
Lender/Client	Address			
Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the appraisal? Report data source(s) used, offering price(s), and date(s).				



# Appraisal Logging: Prior Sale Information (cont.)

**Appraisal Logging Update** Help Links ?  
Other Functions

FHA Case Number: 371-7777777

**\* Property Information \***

Address: 123 CHUMS PL , FRIENDSHIP , NY 147390000

PUD:  Yes  No

Construction Code: Existing Construction  Year Built:  / 1980

**\* Property Title Information \***

Estate Will be Held in: Fee Simple  Leasehold Expiration Date:  /  /

**\* Prior Sale Information \***

Was prior sale/transfer of this property within the past 3 years? No Sale/Transfer within 3 yrs

Date of Prior Sale/Transfer:  /  /   Price of Prior Sale/Transfer:

For refinance transactions only where property was acquired within the last 12 months:

Was prior sale/transfer a result of family gift or inheritance? N/A

Cost of Improvements made subsequent to Prior Sale:






## Appraisal Logging: Prior Sale Information (cont.)

### Prior Sale/Transfer within Past Three Years

If the prior sale/transfer of the property was within the past three (3) years, information must be entered in the following fields:

- **Date of Prior Sale/Transfer;** and
- **Price of Prior Sale/Transfer:** This field was modified to allow the entry of 1 (\$1.00) if the property was acquired through a family gift or inheritance.

Was prior sale/transfer of this property within the past 3 years?

Date of Prior Sale/Transfer:  /  /   Price of Prior Sale/Transfer:





# Appraisal Logging: Prior Sale Information (cont.)

**Appraisal Logging Update** Help Links ?  
Other Functions

FHA Case Number: 371-7777777

**\* Property Information \***

Address: 123 CHUMS PL , FRIENDSHIP , NY 147390000

PUD:  Yes  No

Construction Code: Existing Construction  Year Built:  / 1980

**\* Property Title Information \***

Estate Will be Held in: Fee Simple  Leasehold Expiration Date:  /  /

**\* Prior Sale Information \***

Was prior sale/transfer of this property within the past 3 years? No Sale/Transfer within 3 yrs

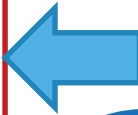
Date of Prior Sale/Transfer:  /  /   Price of Prior Sale/Transfer:

**For refinance transactions only where property was acquired within the last 12 months:**

Was prior sale/transfer a result of family gift or inheritance? N/A

Cost of Improvements made subsequent to Prior Sale:

New





## Appraisal Logging: Prior Sale Information (cont.)

### Refinance Case - Prior Sale/Transfer Date within Last 12 Months

If a refinance case **Date of Prior Sale/Transfer** is within the last 12 months from the new case number assignment date, information is required in the following new fields:

- **Was prior sale/transfer a result of family gift or inheritance?: Yes or No** must be selected. For all other cases, **N/A** (default) is selected.
- **Cost of Improvements made subsequent to Prior Sale:** If the answer is **No** to the above question, the documented cost of improvements made subsequent to the last transaction for the subject property is entered. For all other cases, zero (0) is entered.

**Note:** This amount is used in calculating the **Adjusted Value** on a refinance within the last 12 months, but is not used for a 203(k) refinance case.






## Appraisal Logging: Prior Sale Information (cont.)

**\* Prior Sale Information \***

Was prior sale/transfer of this property within the past 3 years?

Date of Prior Sale/Transfer:  /  /   Price of Prior Sale/Transfer:

**For refinance transactions only where property was acquired within the last 12 months:**

Was prior sale/transfer a result of family gift or inheritance?

Cost of Improvements made subsequent to Prior Sale:

New fields were added:

- *Was prior sale/transfer a result of family gift or inheritance?*
- *Cost of Improvements made subsequent to Prior Sale*



## Appraisal Logging: Property Flipping



\$85,000



\$200,000

- The Property Flipping section of **Appraisal Logging** was modified to include a new **Flipping Exemption Reason** field. The user selects the exemption reason from the drop-down list in this field.
- Lenders are able to use **Appraisal Logging** to indicate an exemption from the 90-day or 91-180 day property flipping rule (in addition to authorized HUD personnel).
- This change applies to purchase cases assigned on or after September 14, 2015.



# Appraisal Logging: Property Flipping (cont.)

## \* Prior Sale Information \*

Was prior sale/transfer of this property within the past 3 years?

Date of Prior Sale/Transfer: //  Price of Prior Sale/Transfer:

For refinance transactions only where property was acquired within the last 12 months:

Was prior sale/transfer a result of family gift or inheritance?

Cost of Improvements made subsequent to Prior Sale:

## \* Reconciliation Fields \*

Appraised Value:

Actual Appraiser (State Certificate or License No.):

ID:  

Name: BEAM, MOON

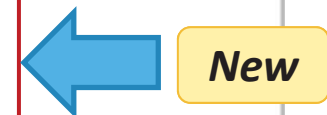
Effective Date of Appraisal:

// 

## \* Property Flipping \*

Property Subject to 90-Day Flipping Rule

Flipping Exemption Reason:





# Appraisal Logging: Property Flipping (cont.)

## 90-Day Property Flipping Rule Exemption

*Flipping rule is identified*

*New **Flipping Exemption Reason** field for the 90-day property flipping rule*

\* Property Flipping \*

Property Subject to 90-Day Flipping Rule

Flipping Exemption Reason:

Appraiser (State Certificate of Registration) ID:  Name:

Update:

- N/A
- Properties acquired by an employer or relocation agency
- Sales by other U.S. Government agencies
- Sales by HUD approved Nonprofits
- Sales acquired by the seller through inheritance
- Sales by federally-chartered institutions and GSEs
- Sales by local/state government agencies
- Sales in Presidentially-Declared Major Disaster Area





# Appraisal Logging: Property Flipping (cont.)

## 91-180 Day Property Flipping Rule Exemption

91-180 day flipping rule is identified as **Greater Than 90-Day Flipping Rule**

New **Flipping Exemption Reason** field for the 91-180 day property flipping rule

\* Property Flipping \*

Property Subject to Greater Than 90-Day Flipping Rule

Flipping Exemption Reason:

Appraiser (State Certificate ID):

ID:

Name:

Update:

- N/A
- Properties acquired by an employer or relocation agency
- Sales by other U.S. Government agencies
- Sales by HUD approved Nonprofits
- Sales acquired by the seller through inheritance
- Sales by federally-chartered institutions and GSEs
- Sales by local/state government agencies
- Sales in Presidentially-Declared Major Disaster Area



# Appraisal Logging: Property Flipping (cont.)

## Exemption Reasons

- **Properties acquired by an employer or relocation agency:** Sale of property purchased by an employer or relocation agency in connection with the relocation of an employee.
- **Sales by other U.S. Government agencies:** Sale by another agency of the United States Government (other than HUD) of a Real Estate Owned (REO) single family property pursuant to programs operated by the agency.
- **Sales by HUD approved Nonprofits:** Sale of property by a nonprofit organization approved to purchase HUD REO single family properties at a discount with resale restrictions.
- **Sales acquired by the seller through inheritance:** Sale of property that was acquired by the seller through inheritance.
- **Sales by federally-chartered institutions and GSEs:** Sale of property by a state- or federally-chartered financial institution or government-sponsored enterprise (GSE).
- **Sales by local/state government agencies:** Sale of property by a local or state government agency.
- **Sales in Presidentially-Declared Major Disaster Area:** Sale of property in a presidentially-declared major disaster area.



## Appraisal Logging: Property Flipping (cont.)

For mortgages assigned a case number prior to September 14, 2015, the **Property Flipping Waived** field is displayed rather than the **Flipping Exemption Reason** field and is only provided for use by HUD personnel.



# Appraisal Logging Topics Discussed

- ✓ **Borrower Paid Repairs**
- ✓ **Prior Sale Information**
- ✓ **Property Flipping Exemptions**







# INSURANCE APPLICATION CHANGES



# Insurance Application: General Information Section

Insurance Application Update

Help Links ?

! WARNING

Existing conditions may affect processing.  
[\[See message\(s\) below\]](#)

Other Functions

FHA Case Number: 371-777777

\* General Information \*

**Property Address:**  
123 CHUMS PL  
FRIENDSHIP, NY 14739-0000

**Originator/Principal ID:** 888880008  
YOU CAN BANK ON US INC

**NMLS ID:** 987654321

**Loan Officer Name**  
First, MI: MILTON  
Last, Suffix: WILTON

**Loan Officer NMLS ID:** 987654321

**PUD/Condo:** N/A

**County Code:** 003

**ADP Code:** 703

**Program ID:** (51)-Solar Dwelling for non-Veteran

**ADP Code Characteristics:**

<b>Amortization Type</b> Fixed	<b>Housing Program</b> FHA Standard Mortgage Program (203b)	<b>Property Type</b> Not a condominium
<b>Special Program</b> No Special Program	<b>Buydown</b> No	<b>Principal Write-down</b> Not a principal write-down

**Borrower Type:** Occupant

**Loan Purpose:** Existing Occupied

**203k Type:** N/A

**Cash-out:** No

**Refinance Type:** Not a Refinance

**Credit Qualifying Streamline:** N/A

**\$100 REO Down Payment Program:**  Yes  No

**Solar/Wind:**  Yes  No

**Weatherization:**  Yes  No

**Escrow Data**  
**Escrow:** (203k/EEM/Repair/Solar/Wind/Weatherization)  Yes  No

**Living Units:** 01

**Construction Code:** Existing Construction

**HUD Approved Secondary Residence:** No

**Construction to Permanent:** No

**Building on Own Land:** No

**Manufactured Housing:**  Yes  No

**PUD:**  Yes  No

**Solar/Wind Amount:** 2500 .00

**Weatherization Amount:** 1500 .00

**Escrow Complete Date:** 12 /15

**Escrow Amount:** 3500 .00





## Insurance Application: 203(k) Program

For the 203(k) Rehabilitation Mortgage Insurance program, updates are as follows:

- The **203k Type** field was added to **Insurance Application** and the same changes made to **Case Number Assignment** for 203(k) cases were made for **Insurance Application**.
- However, **Insurance Application** does not display the **203k Type** field for mortgages assigned a case number prior to September 14, 2015.





# Insurance Application: 203(k) Program (cont.)

## Insurance Application Update

[Help Links](#) ?



### WARNING

Existing conditions may affect processing.  
[\[See message\(s\) below\]](#)

[Other Functions](#)

FHA Case Number: 371-7777777

### \* General Information \*

**Property Address:**  
123 CHUMS PL  
FRIENDSHIP, NY 14739-0000

**PUD/Condo:** N/A

**County Code:** 003

**Originator/Principal ID:** 8888800008  
YOU CAN BANK ON US INC

**NMLS ID:** 987654321  
**Loan Officer Name:** MILTON  
**First, MI:**   
**Last, Suffix:** WILTON  
**Loan Officer NMLS ID:** 987654321

**ADP Code:** 703

**Program ID:** (51)-Solar Dwelling for non-Veteran

#### ADP Code Characteristics:

**Amortization Type:** Fixed

New

**Housing Program:** FHA Standard Mortgage Program (203b)

**Property Type:** Not a condominium

**Special Program:** No Special Program

**Buydown:** No

**Principal Write-down:** Not a principal write-down

**Borrower Type:** Occupant

**Living Units:** 01

**Loan Purpose:** Existing Occupied

**Construction Code:** Existing Construction

**203k Type:** N/A

**HUD Approved Secondary Residence:** No





## Insurance Application: 203(k) Program (cont.)

*New **203k Type** field for **Insurance Application**.  
Option selected can be changed.*

203k Type:

N/A

N/A

Limited

Standard



## Insurance Application: Secondary Residence

- The view-only **HUD Approved Secondary Residence** field was added to **Insurance Application**. (The field is not displayed for mortgages assigned a case number before September 14, 2015.)
- Access to **Insurance Application** is denied if the status for **HUD Approved Secondary Residence** is **Yes, awaiting HOC approval**.
- The status must be **No** or **Approved** before **Insurance Application** can be accessed and the case endorsed for FHA insurance.



# Insurance Application: Secondary Residence (cont.)

**Insurance Application Update** Help Links ?

**WARNING**  
Existing conditions may affect processing.  
[\[See message\(s\) below\]](#) Other Functions

FHA Case Number: 371-7777777

**\* General Information \***

Property Address: 123 CHUMS PL  
FRIENDSHIP, NY 14739-0000  
County Code: 003  
PUD/Condo: N/A

Originator/Principal ID: 8888800008  
YOU CAN BANK ON US INC  
NMLS ID: 987654321  
Loan Officer Name: MILTON  
First, MI:   
Last, Suffix: WILTON  
Loan Officer NMLS ID: 987654321

ADP Code: 703  Program ID: (51)-Solar Dwelling for non-Veteran

**ADP Code Characteristics:**

Amortization Type: Fixed	Housing Program: FHA Standard Mortgage Program (203b)	Property Type: Not a condominium
Special Program: No Special Program	Buydown: No	Principal Write-down: Not a principal write-down

Borrower Type: Occupant  
Loan Purpose: Existing Occupied  
203k Type: N/A  
Cash-out: No  
Refinance Type: Not a Refinance

Living Units: 01  
Construction Code: Existing Constr  
**HUD Approved Secondary Residence: No**  
Construction to Permanent: No  
Building on Own Land: No

New





# Insurance Application: Secondary Residence (cont.)

***HUD Approved Secondary Residence status must be No or Approved to access Insurance Application***

HUD Approved Secondary Residence: **No**

- or -

HUD Approved Secondary Residence: **Approved**





## Insurance Application: Refinance Case

Modifications were made to the **Refinance Type** field of **Insurance Application** as follows:

- **FHA-to-FHA refinance case:** This is a *view-only* field and displays ***Simple with Appraisal*** rather than ***Streamline with Appraisal*** for cases assigned a case number on or after September 14, 2015.
- The ***Streamline with Appraisal*** value is retained for cases assigned a case number prior to September 14, 2015.

Refinance Type:	Simple with Appraisal
-----------------	-----------------------



## Insurance Application: Solar/Wind Energy Systems

**Insurance Application** changes for a solar or wind energy system are:

- The **Solar** field was renamed **Solar/Wind** to accommodate maximum mortgage calculations for HUD's solar and wind product. This field now specifies whether a solar or wind energy system is being installed on the property with proceeds of the loan.
- The **Solar/Wind Amount** field was added. An amount must be entered in this field if **Yes** was selected for the **Solar/Wind** field. The amount entered must be the lesser of:

- The cost and installation of the solar or wind energy system;  
or
- 20% of the property value.





# Insurance Application: Solar/Wind Energy Systems (cont.)

**Insurance Application Update** Help Links ?

**WARNING**  
Existing conditions may affect processing.  
[\[See message\(s\) below\]](#) Other Functions

FHA Case Number: 371-777777

**\* General Information \***

Property Address: 123 CHUMS PL  
FRIENDSHIP, NY 14739-0000  
County Code: 003  
PUD/Condo: N/A

Originator/Principal ID: 888880008  
YOU CAN BANK ON US INC  
NMLS ID: 987654321

Loan Officer Name: MILTON  
First, MI: [ ]  
Last, Suffix: WILTON [ ]  
Loan Officer NMLS ID: 987654321

ADP Code: 703  
Program ID: (51)-Solar Dwelling for non-Veteran

---

<b>Borrower Type:</b> Occupant	<input type="radio"/> Existing Occupied	<b>New</b> ↓	<b>Living Units:</b> 01
<b>Loan Purpose:</b> Existing Occupied	<input type="radio"/> N/A		<b>Construction Code:</b> Existing Construction
<b>203k Type:</b> N/A	<input type="radio"/> No	<b>HUD Approved Secondary Residence:</b> No	<b>Construction to Permanent:</b> No
<b>Cash-out:</b> No	<input type="radio"/> Not a Refinance	<b>Building on Own Land:</b> No	<b>Manufactured Housing:</b> <input type="radio"/> Yes <input checked="" type="radio"/> No
<b>Refinance Type:</b> Not a Refinance	<input type="radio"/> Yes <input checked="" type="radio"/> No	<b>PUD:</b> <input type="radio"/> Yes <input checked="" type="radio"/> No	<b>Solar/Wind Amount:</b> 2500 .00
<b>Credit Qualifying Streamline:</b> N/A		<b>Solar/Wind Amount:</b> 2500 .00	<b>Weatherization Amount:</b> 1500 .00
<b>\$100 REO Down Payment Program:</b> <input type="radio"/> Yes <input checked="" type="radio"/> No		<b>Escrow Complete Date:</b> 12 / 15	<b>Escrow Amount:</b> 3500
<b>Solar/Wind:</b> <input checked="" type="radio"/> Yes <input type="radio"/> No			
<b>Weatherization:</b> <input checked="" type="radio"/> Yes <input type="radio"/> No			
<b>Escrow Data:</b> <input checked="" type="radio"/> Yes <input type="radio"/> No			
<b>Escrow:</b> (203k/EEM/Repair/Solar/Wind/Weatherization)			





## Insurance Application: Solar/Wind Energy Systems (cont.)

Solar/Wind:

Yes  No

**Solar** field changed to **Solar/Wind**. **No** must be selected for the following case types:

- 203(k),
- short refinance,
- cash-out refinance,
- streamline refinance, or
- condominium

Solar/Wind Amount:

2500 .00

**New Solar/Wind Amount** field. An amount must be entered in this field if **Solar/Wind** is **Yes**.



## Insurance Application: Weatherization

Weatherization improvements can be financed together with:

- Section 203(b) purchase or no cash-out refinance case
- Section 203(h) Mortgage Insurance for Disaster Victims
- Energy Efficient Mortgage (EEM)



## Insurance Application: Weatherization (cont. )

The following new fields were added to **Insurance Application** for identifying and capturing the cost of weatherization:

- **Weatherization:** Specifies whether energy-related weatherization improvements are being made to the property
- **Weatherization Amount:** Cost of the weatherization.



- If the amount is between \$2,001 and \$3,500, a value determination must be made by an approved FHA Roster appraiser **or** Direct Endorsement (DE) underwriter.
- If the amount is greater than \$3,500, a value determination **and** separate on-site inspection must be made by an approved FHA Roster appraiser or DE underwriter.



# Insurance Application: Weatherization (cont.)

**Insurance Application Update** **Help Links** ?

**WARNING** **Other Functions**

Existing conditions may affect processing.  
[See message(s) below]

FHA Case Number: 371-777777

\* General Information \*

**Property Address:**  
123 CHUMS PL  
FRIENDSHIP, NY 14739-0000

**County Code:** 003 **PUD/Condo:** N/A

**Originator/Principal ID:** 8888800008  
YOU CAN BANK ON US INC

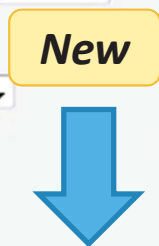
**NMLS ID:** 987654321

**Loan Officer Name:** MILTON, [ ]  
**First, MI:** [ ]  
**Last, Suffix:** WILTON [ ]

**Loan Officer NMLS ID:** 987654321

**ADP Code:** 703 [ ] **Program ID:** (51)-Solar Dwelling for non-Veteran [ ]

<b>Borrower Type:</b>	Occupant [ ]	<b>Living Units:</b>	01
<b>Loan Purpose:</b>	Existing Occupied [ ]	<b>Construction Code:</b>	Existing Construction
<b>203k Type:</b>	N/A [ ]	<b>HUD Approved Secondary Residence:</b>	No
<b>Cash-out:</b>	No [ ]	<b>Construction to Permanent:</b>	No [ ]
<b>Refinance Type:</b>	Not a Refinance [ ]	<b>Building on Own Land:</b>	No [ ]
<b>Credit Qualifying Streamline:</b>	N/A	<b>Manufactured Housing:</b>	<input type="radio"/> Yes <input checked="" type="radio"/> No [ ]
<b>\$100 REO Down Payment Program:</b>	<input type="radio"/> Yes <input checked="" type="radio"/> No	<b>PUD:</b>	<input type="radio"/> Yes <input checked="" type="radio"/> No
<b>Solar/Wind:</b>	<input checked="" type="radio"/> Yes <input type="radio"/> No	<b>Solar/Wind Amount:</b>	2500 .00
<b>Weatherization:</b>	<input checked="" type="radio"/> Yes <input type="radio"/> No	<b>Weatherization Amount:</b>	1500 .00
<b>Escrow Data</b>			





# Insurance Application: Weatherization (cont. )

Weatherization:

Yes  No

**New *Weatherization* field. *No* must be selected for the following case types:**

- 203(k),
- short refinance,
- cash-out refinance, or
- a case that is not Existing Construction

Weatherization Amount:

1500 .00

**New *Weatherization Amount* field. An amount must be entered if *Weatherization* is *Yes*.**





## Insurance Application: Funds Held in Escrow

Since funds for the installation of a solar/wind energy system or property weatherization may need to be held in escrow, the **Escrow** field of **Insurance Application** screen was renamed to include **Solar/Wind** and **Weatherization**.

The screenshot shows a form field with the following text: **Escrow:** (203k/EEM/Repair/Solar/Wind/Weatherization)  Yes  No. A yellow callout box with the text *Renamed field* has an arrow pointing to the word "Solar" in the list of categories.



# Insurance Application: Funds Held in Escrow (cont.)

**Insurance Application Update** Help Links ?

**WARNING**  
Existing conditions may affect processing.  
[\[See message\(s\) below\]](#) Other Functions

FHA Case Number: 371-777777

**\* General Information \***

Property Address: 123 CHUMS PL  
FRIENDSHIP, NY 14739-0000      PUD/Condo: N/A  
County Code: 003

Originator/Principal ID: 888880008  
YOU CAN BANK ON US INC  
NMLS ID: 987654321

Loan Officer Name: MILTON  
First, MI:      Last, Suffix: WILTON  
Loan Officer NMLS ID: 987654321

ADP Code: 703      Program ID: (51)-Solar Dwelling for non-Veteran

---

<b>Borrower Type:</b> Occupant	<b>Living Units:</b> 01
<b>Loan Purpose:</b> Existing Occupied	<b>Construction Code:</b> Existing Construction
<b>203k Type:</b> N/A	<b>HUD Approved Secondary Residence:</b> No
<b>Cash-out:</b> No	<b>Construction to Permanent:</b> No
<b>Refinance Type:</b> Not a Refinance	<b>Building on Own Land:</b> No
<b>Credit Qualifying Streamline:</b> N/A	<b>Manufactured Housing:</b> Yes No ?
<b>\$100 REO Down Payment Program:</b> Yes No	<b>PUD:</b> Yes No
<b>Solar/Wind:</b> Yes No	<b>Solar/Wind Amount:</b> 2500 .00
<b>Weatherization:</b> Yes No	<b>Weatherization Amount:</b> 1500 .00
<b>Escrow Data:</b>	<b>Escrow Complete Date:</b> 12 / 15
<b>Escrow:</b> (203k/EEM/Repair/Solar/Wind/Weatherization) Yes No	<b>Escrow Amount:</b> 3500 .00

Renamed



Escrow: (203k/EEM/Repair/Solar/Wind/Weatherization)  Yes  No





# Insurance Application: General Information

## Topics Discussed

- ✓ 203(k) Type
- ✓ Secondary Residence
- ✓ Refinance Type
- ✓ Solar/Wind and Solar/Wind Amount
- ✓ Weatherization and Weatherization Amount
- ✓ Escrow Funds





# Insurance Application: Worksheet Information

\* Worksheet Information \*

<b>Appraised Value:</b>	<input type="text" value="219900"/> .00	<b>Sales Price:</b>	<input type="text" value="205000"/> .00
<b>Current Housing Expense:</b>	<input type="text" value="1050"/> .00	<b>Unpaid Principal Balance:</b>	<input type="text" value=""/> .00
<b>Borrower Paid Appraiser Required Repairs:</b>	<input type="text" value="525.00"/>	<b>Principal Write-off Amount:</b>	<input type="text" value=""/> .00
<b>Total Requirements:</b>	<input type="radio"/> + <input checked="" type="radio"/> - <input type="text" value="4235"/> .00	<b>Total Income:</b>	<input type="text" value="4800"/> .00
<b>Total Mortgage Payment:</b>	<input type="text" value="1200"/> .00	<b>Total Fixed Payment:</b>	<input type="text" value="1412"/> .00
<b>UFMIP Paid in Cash:</b>	<input type="text" value=""/>		
<b>Borrower Funds to Close</b>			
<b>Required Investment:</b>	<input type="radio"/> + <input checked="" type="radio"/> - <input type="text" value="4235"/> .00	<b>Verified Assets:</b>	<input type="text" value="7456"/> .00
<b>Borrower Paid Closing Costs:</b>	<input type="text" value="5164"/> .00	<b>Months in Reserve:</b>	<input type="text" value=""/>
<b>Interested Party Contributions (%):</b>	<input type="text" value="0.60"/>	<b>Interested Party Contributions Amount:</b>	<input type="text" value="1300"/> .00
<b>Gift Letters</b>		<b>Inducements to Purchase:</b>	<input type="text" value="250"/> .00
<b>Letter 1 Amount:</b>	<input type="text" value=""/> .00		
<b>Source:</b>	<input type="text" value="N/A"/>		
<b>EIN:</b>	<input type="text" value=""/> - <input type="text" value=""/>	<b>EIN Name:</b>	
<b>Letter 2 Amount:</b>	<input type="text" value=""/> .00		
<b>Source:</b>	<input type="text" value="N/A"/>		
<b>EIN:</b>	<input type="text" value=""/> - <input type="text" value=""/>	<b>EIN Name:</b>	
<b>Secondary Financing</b>			
<b>Secondary Financing Exists:</b>	<input checked="" type="radio"/> Yes <input type="radio"/> No <input type="button" value="Q"/>		
<b>EEM Improvement Amount:</b>	<input type="text" value=""/> .00		
<b>Energy Efficient Mortgage Type:</b>	<input type="text" value="N/A"/>		
<b>Back to Work:</b>	<input type="text" value="No"/>		
<b>Underwriters</b>			
<b>Underwriter Approval Date:</b>	<input type="text" value=""/> / <input type="text" value=""/> / <input type="text" value=""/> <input type="button" value="Q"/>		
<b>Underwriter ID:</b>	<input type="text" value="ZFHA"/> <input type="button" value="Q"/>	<b>Name:</b>	<b>TOTAL SCORECARD UWRTR</b>
<b>Appraisal Underwriter:</b>	<input type="text" value="AB12"/> <input type="button" value="Q"/>	<b>Name:</b>	<b>PAL, BUDDY</b>
<b>Scorecard Decision:</b>	<input type="text" value="Accepted"/>	<b>Decision Date:</b>	<b>04/17/2015</b>

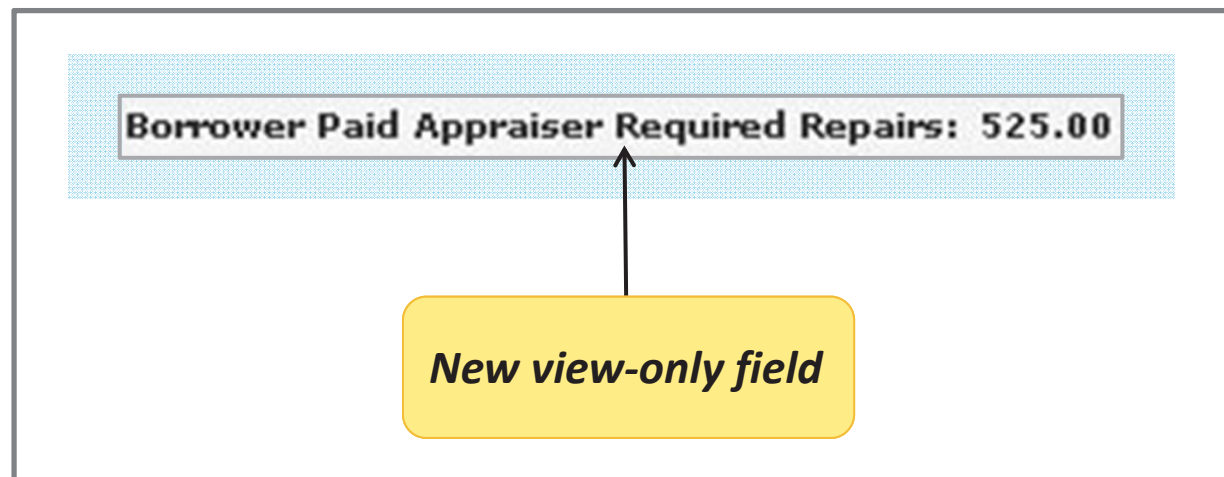
[TOTAL Scorecard Emulator](#)





## Insurance Application: Borrower Paid Repairs

- **Insurance Application** was modified to include the new view-only **Borrower Paid Appraiser Required Repairs** field.
- This field is automatically pre-filled with the amount entered through **Appraisal Logging**.
- Any change to this amount must be made through **Appraisal Logging**.





# Insurance Application: Borrower Paid Repairs (cont.)

**Insurance Application Update** Help Links ?

**WARNING** Other Functions

Existing conditions may affect processing.  
[\[See message\(s\) below\]](#)

FHA Case Number: 371-777777

**\* General Information \***

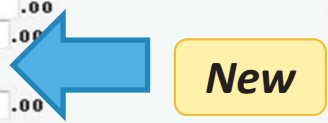
Property Address: 123 CHUMS PL  
FRIENDSHIP, NY 14739-0000  
County Code: 003  
PUD/Condo: N/A

Originator/Principal ID: 8888800008  
YOU CAN BANK ON US INC  
NMLS ID: 987654321

(203k/EEM/Repair/Solar/Wind/Weatherization)  Yes  No  
Escrow Complete Date: 12 /15  
Escrow Amount: 3500 .00

**\* Worksheet Information \***

Appraised Value:	219900 .00	Sales Price:	205000 .00
Current Housing Expense:	1050 .00	Unpaid Principal Balance:	.00
<b>Borrower Paid Appraiser Required Repairs:</b>	<b>525.00</b>	Principal Write-off Amount:	.00
Total Requirements:	4235 .00	Total Income:	4800 .00
Total Mortgage Payment:	1200 .00	Total Fixed Payment:	1412 .00
UFMIP Paid in Cash:		Verified Assets:	7456 .00
Borrower Funds to Close		Months in Reserve:	
Required Investment:	4235 .00	Interested Party Contributions Amount:	1300 .00
Borrower Paid Closing Costs:	5164 .00	Inducements to Purchase:	250 .00
Interested Party Contributions (%):	0.60		
Gift Letters			





# Insurance Application: Interested Party Contributions

The seller concession information collected by **Insurance Application** was replaced.



- **Seller Concession (%)** (*percentage of the Sales Price contributed by an interested party*) field renamed **Interested Party Contributions (%)**
  - Format now a two-digit numeric field with two decimal places; and
  - Any amount *greater* than six percent (6.00%) must be included in the new **Inducements to Purchase** field.
- **Seller Concession Amount** (*total dollar amount contributed by the interested parties*) field renamed **Interested Party Contributions Amount**.



# Insurance Application: Interested Party Contributions (cont.)

**Insurance Application Update** Help Links ?  
Other Functions

**WARNING**  
Existing conditions may affect processing.  
[\[See message\(s\) below\]](#)

FHA Case Number: 371-777777  
\* General Information \*

Property Address:  
123 CHUMS PL  
FRIENDSHIP, NY 14739-0000  
County Code: 003

Originator/Principal ID: 8888800008  
YOU CAN BANK ON US INC  
NMLS ID: 987654321

Escrow Complete Date: 12 / 15  
Escrow Amount: 3500 .00

(203k/EEM/Repair/Solar/Wind/Weatherization)  Yes  No

\* Worksheet Information \*

Appraised Value:	219900 .00	Sales Price:	205000 .00
Current Housing Expense:	1050 .00	Unpaid Principal Balance:	.00
Borrower Paid Appraiser Required Repairs:	525.00	Principal Write-off Amount:	.00
Total Requirements: <input checked="" type="radio"/> + <input type="radio"/> -	4235 .00	Total Income:	4800 .00
Total Mortgage Payment:	1200 .00	Total Fixed Payment:	1412 .00
UFMIP Paid in Cash:		Verified Assets:	7456 .00
Borrower Funds to Close		Months in Reserve:	
Required Investment: <input checked="" type="radio"/> + <input type="radio"/> -	4235 .00	Interested Party Contributions Amount:	1300 .00
Borrower Paid Closing Costs:	5164 .00	Inducements to Purchase:	250 .00
Interested Party Contributions (%):	0.60		
Gift Letters			

*If there are interested party contributions, amounts must be entered in BOTH fields. If there are no contributions, these fields are left blank.*

**Renamed**  
↓







## Insurance Application: Inducements to Purchase

- The **Inducements to Purchase** field was added to **Insurance Application** and is only applicable to a ***purchase case***.
- Users enter the amount of certain expenses paid by an interested party on behalf of the borrower that results in a dollar-for-dollar reduction to the **Sales Price** when computing the **Adjusted Value** of the property **before** applying the appropriate loan-to-value (LTV) percentage.

Inducements to Purchase: 250 .00

*This new field is left blank if there are no **Inducements to Purchase**.  
Note: If the **Interested Party Contribution Amount** is greater than 6% of the **Sales Price**, it must be included in this field.*



# Insurance Application: Inducements to Purchase (cont.)

**Insurance Application Update** Help Links ?

**WARNING** Other Functions

Existing conditions may affect processing.  
[\[See message\(s\) below\]](#)

FHA Case Number: 371-777777

**\* General Information \***

Property Address: 123 CHUMS PL  
FRIENDSHIP, NY 14739-0000      PUD/Condo: N/A  
County Code: 003

Escrow: (203k/EEM/Repair/Solar/Wind/Weatherization)  Yes  No      Escrow Complete Date: 12 /15  
Escrow Amount: 3500 .00

**\* Worksheet Information \***

Appraised Value:	219900 .00	Sales Price:	205000 .00
Current Housing Expense:	1050 .00	Unpaid Principal Balance:	.00
Borrower Paid Appraiser Required Repairs:	525.00	Principal Write-off Amount:	.00
Total Requirements: <input checked="" type="radio"/> + <input type="radio"/> -	4235 .00	Total Income:	4800 .00
Total Mortgage Payment:	1200 .00	Total Fixed Payment:	1412 .00
UFMIP Paid in Cash:		Verified Assets:	7456 .00
Borrower Funds to Close		Months in Reserve:	
Required Investment: <input checked="" type="radio"/> + <input type="radio"/> -	4235 .00	Interested Party Contributions Amount:	1300 .00
Borrower Paid Closing Costs:	5164 .00	<b>Inducements to Purchase:</b>	<b>250 .00</b>
Interested Party Contributions (%):	0.60		
Gift Letters			





# Insurance Application: Worksheet Information Topics Discussed

- ✓ Borrower Paid Repairs
- ✓ Interested Party Contributions % and Interested Party Contributions Amount
- ✓ Inducements to Purchase





# Insurance Application: Mortgage Information Section

\* Mortgage Information \*

Mortgage Amount: (without financed UFMIP)	195000 .00	QM Points and Fees:	1000.00
Mortgage Amount: (with financed UFMIP)	198413 .00	Interest Rate (%):	4.070
Monthly Payment:	955.34	Maturity Date:	07 /2045
Term of Loan:	360	Warranty:	
Amortization:	N/A	First Payment:	08 /2015
ARM Type:	N/A	ARM Index:	N/A
ARM Margin:		Loan-to-value (%):	93.09
Qualifying Rate:		CLTV Total (%):	95.39
Adjusted Value:	.00	CLTV Subject to Limit (%):	0.00
Principal Reduction:	<input type="radio"/> Yes <input checked="" type="radio"/> No	Principal Reduction Amount:	
Current Payments:	<input checked="" type="radio"/> Yes <input type="radio"/> No	Closing / Disbursement Date:	07 /23 /2015
UFMIP Financed:	<input checked="" type="radio"/> Yes <input type="radio"/> No	Appraiser Name:	AMIGO, AMI
Appraiser License ID:	NYCR888888888	203k Name:	
203k Consultant ID:		Pre-endorsement Delinquency Status:	None



## Insurance Application: Qualified Mortgage Points and Fees

- The **QM Points and Fees** field was added to collect the amount of costs charged by the lender during mortgage application, processing, and closing as calculated by the Qualified Mortgage (QM) rule.
- This field is ***optional*** at this time.

QM Points and Fees:

1000.00

***New field for **Insurance Application**. This information is optional at this time. Note: The total points and fees payable are not to exceed the Consumer Financial Protection Bureau's limit on points and fees for a QM.***



# Insurance Application: QM Points and Fees (cont.)

**Insurance Application Update** Help Links ?

**WARNING**  
Existing conditions may affect processing.  
[\[See message\(s\) below\]](#) Other Functions

FHA Case Number: 371-777777

**\* General Information \***

Property Address: 123 CHUMS PL  
FRIENDSHIP, NY 14739-0000  
County Code: 003  
PUD/Condo: N/A

Originator/Principal ID: 8888800008  
YOU CAN BANK ON US INC  
NMLS ID: 987654321

Veterans Preference:  Yes  No  
Application Received by: Telephone

**\* Mortgage Information \***

Mortgage Amount: (without financed UFMIP)	195000 .00	<b>New</b> →	<b>QM Points and Fees:</b>	1000.00
Mortgage Amount: (with financed UFMIP)	198413 .00		Interest Rate (%):	4.070
Monthly Payment:	955.34	Maturity Date:	07 / 2045	
Term of Loan:	360	Warranty:		
Amortization:	N/A	First Payment:	08 / 2015	
ARM Type:	N/A	ARM Index:	N/A	
ARM Margin:		Loan-to-value (%):	93.09	
Qualifying Rate:		CLTV Total (%):	95.39	
Adjusted Value:	206775.00	CLTV Subject to Limit (%):	0.00	
Principal Reduction:	<input type="radio"/> Yes <input checked="" type="radio"/> No	Principal Reduction Amount:		





## Insurance Application: Adjusted Value

A new field for **Adjusted Value** was added to **Insurance Application** for cases assigned on or after September 14, 2015.

**Adjusted Value:** 206775.00

*New view-only field for **Insurance Application**.  
(Not displayed for cases with a **Case Number Assignment** date before September 14, 2015.)*



# Insurance Application: Adjusted Value (cont.)

## Adjusted Value According to Case Characteristics

- **Purchase case:**  
**Adjusted Value** is the lesser of the (a) **Sales Price** less **Inducements to Purchase** plus **Borrower Paid Appraiser Required Repairs** or (b) **Appraised Value**.
- **Streamline refinance case:**  
**Appraised Value** of the prior FHA-insured mortgage.
- **Refinance case; property acquired by the borrower within 12 months of Case Number Assignment date:**  
**Adjusted Value** is the lesser of the (a) original **Sales Price** plus any documented improvements made subsequent to the purchase or (b) **Appraised Value**.
- **Refinance case; property acquired by borrower earlier than or equal to 12 months prior to the Case Number Assignment date:**  
**Adjusted Value** is the **Appraised Value**.
- **Refinance case; property acquired by the borrower within 12 months of Case Number Assignment date by inheritance or through a family member's gift:**  
Same calculation used for properties purchased 12 months or earlier than the **Case Number Assignment** date.
- **HUD REO case:**  
If no appraisal, the **Adjusted Value** is the **Sales Price**. Otherwise, **Adjusted Value** is the lesser of the **Sales Price** or **Appraised Value**.

**Note:** *Weatherization Amount* may be added to both **Sales Price** and **Appraised Value** when calculating the **Adjusted Value**.







# Insurance Application: Adjusted Value (cont.)

Insurance Application Update

Help Links ?

**WARNING**

Other Functions

Existing conditions may affect processing.  
[\[See message\(s\) below\]](#)

FHA Case Number: 371-7777777

### \* General Information \*

Property Address:  
123 CHUMS PL  
FRIENDSHIP, NY 14739-0000

PUD/Condo: N/A

County Code: 003

Originator/Principal ID: 8888800008  
YOU CAN BANK ON US INC  
NMLS ID: 987654321

Veterans Preference:  Yes  No

Application Received by: Telephone

### \* Mortgage Information \*

Mortgage Amount: (without financed UFMIP) 195000 .00

Mortgage Amount: (with financed UFMIP) 198413 .00

Monthly Payment: 955.34

Term of Loan: 360

Amortization: N/A

ARM Type: N/A

ARM Margin:

Qualifying Rate:

**Adjusted Value: 206775.00**

Principal Reduction:  Yes  No

QM Points and Fees: 1000.00

Interest Rate (%): 4.070

Maturity Date: 07 / 2045

Warranty:

First Payment: 08 / 2015

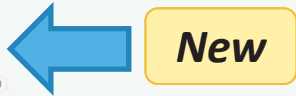
ARM Index: N/A

Loan-to-value (%): 93.09

CLTV Total (%): 95.39

CLTV Subject to Limit (%): 0.00

Principal Reduction Amount:





## Insurance Application: Combined Loan to Value (CLTV)

- **CLTV (%)** field was renamed ***CLTV Total (%)***. This is the CLTV ratio if the borrower has more than one loan (i.e., secondary financing). It is now a system-calculated value computed as follows: base mortgage amount (less UFMIP) plus the sum of all secondary financing amounts divided by the **Adjusted Value**.
- **CLTV Subject to Limit (%)** field was added. This is a system-calculated value as follows: base mortgage amount (less UFMIP) plus the sum of all secondary financing amounts *provided by private organizations/eligible individuals or lender* divided by the **Adjusted Value**.





# Insurance Application: CLTV (cont.)

Insurance Application Update

Help Links ?

**WARNING**

Other Functions

Existing conditions may affect processing.  
**[See message(s) below]**

FHA Case Number: 371-7777777

### \* General Information \*

Property Address:  
123 CHUMS PL  
FRIENDSHIP, NY 14739-0000

PUD/Condo: N/A

County Code: 003

Originator/Principal ID: 8888800008  
YOU CAN BANK ON US INC  
NMLS ID: 987654321

Veterans Preference:  Yes  No

Application Received by: Telephone

### \* Mortgage Information \*

Mortgage Amount: (without financed UFMIP) 195000 .00  
 Mortgage Amount: (with financed UFMIP) 198413 .00  
 Monthly Payment: 955.34  
 Term of Loan: 360  
 Amortization: N/A  
 ARM Type: N/A  
 ARM Margin:  
 Qualifying Rate:  
 Adjusted Value: 206775.00  
 Principal Reduction:  Yes  No

QM Points and Fees: 1000.00  
 Interest Rate (%): 4.070  
 Maturity Date: 07 /2045  
 Warranty:  
 First Payment: 08 /2015  
 ARM Index: N/A  
 Loan-to-value (%): 93.09  
 CLTV Total (%): 95.39  
 CLTV Subject to Limit (%): 0.00  
 Principal Reduction Amount:





## Insurance Application: CLTV (cont.)

*Renamed, view-only field for cases assigned on or after September 14, 2015. For cases assigned before September 14, 2015, the ratio must be entered by the user.*

**CLTV Total (%): 95.39**

**CLTV Subject to Limit (%): 0.00**

*New field. (Not displayed for cases assigned before September 14, 2015.)*



# Insurance Application: Mortgage Information Topics Discussed

- ✓ QM Points and Fees
- ✓ Adjusted Value
- ✓ CLTV Total (%) and CLTV Subject to Limit (%)

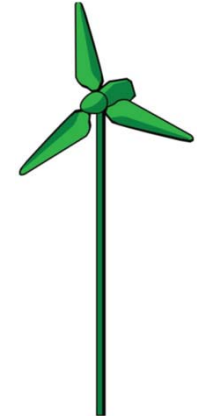




# ESCROW CLOSEOUT, EEM CALCULATOR, and CASE QUERY CHANGES



## Escrow Closeout Changes



**Escrow Closeout** was modified to include options for escrow closeout certifications for:

- **Solar/Wind:** Certifies that installation of a solar or wind energy system was completed.
- **Weatherization:** Certifies that energy-related weatherization improvements were completed.

These new options are now included in the **Closeout Types** field on the **Escrow Closeout Certification** page.





# Escrow Closeout (cont.)

### Escrow Closeout Certification

[Help Links](#) ?

FHA Case Number: 371-7777777

Address: 123 CHUMS PL  
FRIENDSHIP NY 147390000

Closeout Types:  203k  EEM  Repairs

Solar/Wind  Weatherization ← **New options**

Select all energy efficient improvements that were made (Applicable to all 203(k)s, EEMs, loans with repair escrows, solar/wind, and weatherization):

<input checked="" type="checkbox"/> Windows	<input checked="" type="checkbox"/> Doors	<input type="checkbox"/> Roof
<input type="checkbox"/> HVAC	<input type="checkbox"/> Programmable Thermostats	<input type="checkbox"/> Lighting
<input type="checkbox"/> Ceiling Fan(s)	<input type="checkbox"/> Whole House Fan	<input type="checkbox"/> Insulation
<input type="checkbox"/> Caulking/Sealing	<input type="checkbox"/> Water Heater	<input type="checkbox"/> Appliances

Renewable Energy Improvements:

<input type="checkbox"/> Solar: PV/Hot Water	<input type="checkbox"/> Geothermal	<input checked="" type="checkbox"/> Wind Energy Systems
<input type="checkbox"/> Boilers, Furnaces or Stoves Fueled by Wood/Pellets		
<input type="checkbox"/> N/A		

Escrow Amount: 3,500.00 Expected Completion Date: 12/15

Amount Applied to Principal: .00

By selecting Yes, the mortgagee certifies that a representative has personally inspected the:

- Construction
- Alterations
- Repairs







# EEM Calculator Changes

The **Projected Underwriter Approval Date** and **Sale Price** fields of **EEM Calculator** were replaced with the **Adjusted Value** field.

The screenshot shows the EEM Calculator interface. The title bar contains 'EEM Calculator' and 'Help Links'. Below the title bar, there are two input fields for 'FHA Case Number' with the value '371 - 7777777'. Below that is the 'Adjusted Value' field with the value '150000', which is highlighted with a red border. A yellow button labeled 'New' has an arrow pointing to the 'Adjusted Value' field. At the bottom of the interface are two buttons: 'Send' and 'Reset'.

- The **Adjusted Value** of the property is required to be entered if:
  - Case *not* processed through **Insurance Application**, **OR**
  - Case number assignment date is prior to September 14, 2015.
- If the case was processed through **Insurance Application**, the **Adjusted Value** field is left blank and the **Adjusted Value** from **Insurance Application** is automatically included in the calculation.



# EEM Calculator (cont.)

### EEM Calculator Results

[Help Links](#) ?

**SUCCESS**

EEM CALCULATOR SUCCESSFULLY COMPLETED

<i>FHA Case Number:</i>	<b>371-7777777</b>
<i>Adjusted Value:</i>	<b>\$150,000.00</b> ← <b>New</b>
<i>Calculated EEM Amount:</i>	<b>\$7,360.00</b>
<i>Case Number Assignment Date:</i>	<b>07/23/15</b>
<i>Median Sale Price:</i>	<b>\$128,000.00</b>

[New Request](#)



# Case Query Change

The **Case Type** field was modified and now displays ***DIRECT ENDORSEMENT SIMPLE REFI***, rather than ***DIRECT ENDORSEMENT STRMLND REFI***, for a no cash-out refinance of an existing FHA-insured mortgage requiring an appraisal (i.e., Simple with Appraisal) for cases assigned a case number on or after September 14, 2015.

The screenshot displays a web interface for Case Query Results. It features a blue header with the title 'Case Query Results' and a red 'Help Links' button. Below the header is a blue bar with a checkmark icon and the word 'SUCCESS'. The main content area contains a message: 'CASE QUERY SUCCESSFULLY COMPLETED ALL BORROWERS PASSED SSN VALIDATION -NAME, SSN OR DOB CHANGES WILL REVALIDATE'. Below this, there are several fields with their corresponding values: 'FHA Case Number: 048-8888888', 'Borrower Name: GOODMAN, BONA', 'Property Address: 1234 GOOD AVE BUENA PARK CA 906210000', 'Originator Name: XYZ MORTGAGES INC', 'Case Type: DIRECT ENDORSEMENT SIMPLE REFI (ADP Code 703)', and 'Endorsement Processed by: LENDER'. A yellow callout box with the word 'New' and an arrow points to the 'Case Type' field. There is also a 'Binder Status:' label at the bottom right of the form area.





## Escrow Closeout, EEM Calculator, and Case Query Topics Discussed

- ✓ **Escrow Closeout:** includes options for Solar/Wind and Weatherization
- ✓ **EEM Calculator:** includes **Adjusted Value**
- ✓ **Case Query:** *Direct Endorsement Simple Refi*, replaces *Direct Endorsement Streamline Refi*





# QUESTIONS AND ANSWERS



**THANK YOU!**