

Section C. Insurance Endorsement Processing

Overview

In This Section This section contains the topics listed in the table below.

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1. General Information on FHA Loan Processing and Review

Introduction This topic contains general information on FHA loan processing and review, including

- Homeownership Center (HOC) loan processing tasks
 - HOC actions upon receipt and review of the uniform case binder
 - types of loan endorsement reviews
 - the purpose of the pre-endorsement review, and
 - the purpose of the post endorsement technical review (PETR).
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Change Date December 23, 2010

**4155.2 8.C.1.a
HOC Loan
Processing
Tasks** The table below describes the loan processing activities the Homeownership Center (HOC) performs upon receipt of a uniform case binder from the lender.

Stage	Description
1	The HOC logs receipt of the uniform case binder into the Computerized Home Underwriting Management System (CHUMS).
2	The HOC checks to ensure that the case has been submitted in an acceptable case binder that meets FHA requirements. If not, the HOC returns the case binder to the lender. <i>Note:</i> At this point, the HOC does not perform any further processing or analysis of the case file and proceeds as described in HUD 4155.2 8.C.1.b .
3	The HOC routes the case binder to the appropriate personnel for pre-endorsement review and insurance endorsement. <i>References:</i> For more information on <ul style="list-style-type: none"> • the loan submission and endorsement process, see HUD 4155.2 8.A.1, and • pre-endorsement reviews, see HUD 4155.2 8.C.1.d.

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1. General Information on FHA Loan Processing and Review, Continued

**4155.2 8.C.1.b
HOC Actions
Upon Receipt
and Review of
the Uniform
Case Binder**

Upon receipt of the uniform case binder, the [HOC](#) conducts a pre-endorsement review to determine if

- the request for endorsement and the case binder are complete, and
- all of the necessary documents are present and signed.

The table below indicates the actions that the HOC takes upon completing the pre-endorsement review.

If the uniform case binder ...	Then the HOC ...
<i>meets</i> FHA guidelines	<ul style="list-style-type: none"> • completes endorsement processing, and • issues an electronic Mortgage Insurance Certificate (eMIC), acknowledging that FHA has insured the mortgage. <p><i>Note:</i> The lender may print or download the MIC from the FHA Connection (FHAC).</p>
<i>does not meet</i> FHA guidelines	<ul style="list-style-type: none"> • issues a <i>Non-Endorsement Notice/Notice of Return</i> (NOR) to the lender, specifying the deficiencies and corrective action needed, and • returns the case binder to the lender reflected in the FHAC unless special circumstances have been specified.

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1. General Information on FHA Loan Processing and Review, Continued

4155.2 8.C.1.c Types of Loan Endorsement Reviews

FHA monitors lender compliance with its criteria through

- pre-endorsement reviews, performed by
 - FHA staff or contractors, or
 - lender staff, for participants in the Lender Insurance (LI) program, and
- post endorsement technical reviews (PETRs), which are performed
 - after loan closing and endorsement, and
 - by FHA staff or contractors.

Notes:

- FHA determines a specific percentage of endorsed lender files on which to conduct a [PETR](#) and selects lender files electronically, based on
 - risk factor indicators, and
 - other [HOC](#)-identified factors.
- FHA also performs pre-closing “test” case reviews to ensure lender compliance. Pre-closing test files are subject to underwriting review and approval by [HOC](#) staff *prior to* loan closing.

References: For more information on

- pre-endorsement reviews, see [HUD 4155.2 8.C.1.d](#), and
- [PETRs](#), see
 - [HUD 4155.2.8.C.1.e](#)
 - [HUD 4155.2.9.B.1](#).
- Direct Endorsement (DE) lender approval, see [HUD 4155.2 2.A](#)
- the [DE](#) Lender pre-closing phase, see [HUD 4155.2 2.B.3](#), and
- processing pre-closing cases, see [HUD 4155.2 8.C.4](#).

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1. General Information on FHA Loan Processing and Review, Continued

4155.2 8.C.1.d Purpose of the Pre- Endorsement Review

During pre-endorsement reviews, the HOC reviews files to verify

- compliance with FHA documentation requirements
- that forms and certifications are properly executed, and
- data integrity (FHA Connection (FHAC) and Automated Underwriting Systems (AUS), when applicable).

The pre-endorsement review results in approval and endorsement of the mortgage after a satisfactory review of specific documents.

Notes:

- Additional review and documentation may be required if FHA has reason to suspect fraud or misrepresentation, including negligent misrepresentation, in any of the documents submitted.
- The [HOC](#) performs the pre-endorsement review in accordance with the requirements for
 - case binder submission described in [HUD 4155.2 8.B](#), and
 - loan endorsement described in this section.

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1. General Information on FHA Loan Processing and Review, Continued

4155.2 8.C.1.e Purpose of the PETR

The [PETR](#) is one of several monitoring tools that FHA uses to measure lender compliance with FHA regulations. The PETR includes a review of

- property underwriting (a field review of the appraiser/appraisal may be generated as a result of the property underwriting/desk review)
- credit underwriting and loan approval criteria
- risk analysis
- closing in accordance with loan approval
- documentation, and
- data integrity ([FHAC](#) and [AUS](#), if applicable).

The [HOC](#) staff perform the PETR and rate the mortgages as either *Conforming*, *Deficient*, or *Unacceptable* in the categories of

- mortgage credit underwriting, and
- valuation underwriting.

Note: The same process applies to all technical reviews, whether [LI](#) or non-LI.

Reference: For more information on PETRs, see [HUD 4155.2 9.B.1](#).

2. Non-LI Loan Endorsement Processing

Introduction This topic contains information on loan endorsement processing for lenders who do *not* participate in the Lender Insurance (LI) Program, including

- FHA Connection (FHAC) loan endorsement processing
 - the date of loan insurance, and
 - handling loans that are ineligible for endorsement.
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**4155.2 8.C.2.a
FHAC Loan
Endorsement
Processing** Upon successful completion of a pre-endorsement review, the Homeownership Center (HOC) uses the logging and endorsement functions in FHA Connection (FHAC) to

- verify data integrity
- complete loan endorsement processing, and
- issue an electronic Mortgage Insurance Certificate (MIC).

References: For more information on

- pre-endorsement reviews, see [HUD 4155.2 8.C.1.d](#)
 - FHAC, see
 - [HUD 4155.2 1.D](#), and
 - the FHAC User Guide available at <https://entp.hud.gov/idapp/html/mrtg-pkg.cfm>, and
 - MICs, see [HUD 4155.2 8.C.6](#).
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**4155.2 8.C.2.b
Date of Loan
Insurance** A case submitted for endorsement is considered insured as of the date that FHA electronically issues the [MIC](#).

Reference: For more information on MICs, see [HUD 4155.2 8.C.6](#).

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2. Non-LI Loan Endorsement Processing, Continued

4155.2 8.C.2.c Handling Loans That Are Ineligible for Endorsement

If the [HOC](#) determines that the mortgage is ineligible for insurance endorsement, FHA issues an electronic *Non-Endorsement Notice/Notice of Return* (NOR) on the Case Query screen in the [FHAC](#), which includes

- the reasons for non-endorsement, and
- any corrective actions that the lender must take.

If the case is permanently rejected for insurance endorsement, the [NOR](#) must include instructions to the lender to notify the borrower

- that he/she does not have an FHA-insured loan, and
- of the circumstances that made the loan ineligible for FHA insurance.

The lender must also

- obtain a refund of both the upfront mortgage insurance premium (UFMIP) and any periodic mortgage insurance premium (MIP) paid by or on behalf of the borrower, and
- apply the refund to the principal balance of the loan.

Note: Space is limited on the Case Query screen, so it is possible that the complete reason for the NOR may not be visible. The lender must wait to receive the return case binder prior to responding to the NOR. Responses are not acceptable without the case binder. In some instances, the HOC may retain the case binder and provide guidance to the lender on how to submit a response.

3. LI Loan Endorsement Processing

Introduction This topic contains information on Lender Insurance (LI) loan endorsement processing, including

- endorsement processing for approved LI lenders, and
 - categories of LI mortgage endorsement processing.
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Change Date December 23, 2010

4155.2 8.C.3.a Endorsement Processing for Approved LI Lenders A lender approved for the Lender Insurance (LI) Program must process and endorse for insurance all of the loans it originates or underwrites.

References: For more information on

- [LI](#) Program eligibility and approval, see [HUD 4155.2 2.C](#)
 - requirements for [LI](#) lender pre-insurance review, see [HUD 4155.2 8.A.2](#)
 - [LI](#) case binder submission, see [HUD 4155.2 8.B.7](#), and
 - [LI](#) lender submission requirements for case binders selected for post endorsement technical review (PETR), see [HUD 4155.2 9.B.1.d](#).
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4155.2 8.C.3.b Categories of LI Mortgage Endorsement Processing The table below describes the three mortgage endorsement processing categories under the [LI](#) Program.

Endorsement Processing Category	Description
LI Eligible/No Binder Request	<p>The lender endorses the mortgage, and FHA</p> <ul style="list-style-type: none"> • generates an electronic mortgage insurance certificate (eMIC), which the lender may view online, and • does <i>not</i> request the case binder.

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3. LI Loan Endorsement Processing, Continued

4155.2 8.C.3.b Categories of LI Mortgage Endorsement Processing (continued)

Endorsement Processing Category	Description
LI Eligible/Binder Request	<ul style="list-style-type: none"> • The lender endorses the mortgage • FHA generates an eMIC, and • FHA requests the case binder for PETR purposes. <p><i>Notes:</i></p> <ul style="list-style-type: none"> • The case binder request appears on the <ul style="list-style-type: none"> – FHA Connection (FHAC) Binder List screen or Business to Government (B2G) function, and – Insurance Application screen. • The Case Inquiry screen indicates <ul style="list-style-type: none"> – if FHA requested a binder, and – when FHA received the binder after the lender has sent it. <p><i>Reference:</i> For information on lender requirements when FHA requests a case binder, see HUD 4155.2 9.B.1.</p>

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3. LI Loan Endorsement Processing, Continued

4155.2 8.C.3.b Categories of LI Mortgage Endorsement Processing (continued)

Endorsement Processing Category	Description
LI Deficient	<ul style="list-style-type: none"> • A high level case warning was triggered (for example, a Credit Alert Interactive Voice Response System (CAIVRS) exception), or • The system edits reject the case (for example, the mortgage amount exceeds the statutory limit). <p>The Computerized Homes Underwriting Management System (CHUMS) does not request that the lender send deficient cases to the HOC, but informs the lender that it must resolve any rejection message.</p> <p>FHA requests for review only those files that have severe case warnings, such as</p> <ul style="list-style-type: none"> • a CAIVRS exception • Social Security Number (SSN) not verified, or • some text messages.

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3. LI Loan Endorsement Processing, Continued

4155.2 8.C.3.b Categories of LI Mortgage Endorsement Processing (continued)

Endorsement Processing Category	Description
	<p>Under this exception processing procedure, the lender must submit the case binder to FHA for a pre-endorsement review, unless it is able to correct the deficiency and resubmit the endorsement data through the automated data verification system.</p> <p>If the resubmission is successful, the mortgage is eligible to be processed through LI, and the lender can endorse it for insurance and generate an eMIC.</p> <p>If the lender cannot correct the deficiency, the system withholds the lender's ability to endorse the loan until the stated deficiencies are corrected.</p> <p><i>Note:</i> For those mortgage insurance applications that the lender is unable to endorse due to system edits or other reasons, FHA requires the case binder for a pre-endorsement review of the file. Such mortgage insurance applications cannot be approved until FHA has reviewed the case binder and determined insurance eligibility.</p>

4. Pre-Closing (Test) Case Processing Overview

Introduction This topic contains information on pre-closing (test) case processing, including

- the purpose of pre-closing (test) cases
 - the timeframe for processing pre-closing (test) cases, and
 - an overview of pre-closing (test) case processing.
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Change Date December 23, 2010

4155.2 8.C.4.a Purpose of Pre-Closing (Test) Cases The purpose of pre-closing (test) cases is to review loans made by a lender⁷ who is applying for Direct Endorsement (DE) Lender approval, to ensure lender compliance with FHA property and credit underwriting requirements.

References: For more information on the

- [DE](#) Lender application and approval process, see [HUD 4155.2 2.A.1](#), and
 - [DE](#) Lender pre-closing phase, see [HUD 4155.2 2.B.3](#).
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4155.2 8.C.4.b Timeframe for Processing Pre-Closing (Test) Cases The Homeownership Center's (HOC) Processing and Underwriting Division must give pre-closing (test) cases priority processing and review cases within three business days of receipt.

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4. Pre-Closing (Test) Case Processing Overview, Continued

4155.2 8.C.4.c Overview of Pre-Closing (Test) Case Processing

The table below describes the pre-closing case review process.

Stage	Description
1	<p>Upon receipt of the case, FHA staff</p> <ul style="list-style-type: none"> • logs the file into the HOC's internal tracking system • logs the case into FHA Connection/Computerized Homes Underwriting System (FHAC/CHUMS), and • routes the file for underwriting review (property and credit).
2	<p>After completing the underwriting review, FHA staff</p> <ul style="list-style-type: none"> • updates FHAC/CHUMS with the underwriting decision, and • completes the Underwriting Report System (URS) report in the FHAC.
3	<p>The lender receives notification of the underwriting decision through FHAC.</p> <p><i>Note:</i> Lenders must direct requests for a ratings change to the FHA staff underwriter's supervisor, and include documentation to support their requests.</p>
4	FHA documents the case and the lender file with the decision.
5	<p>The HOC retains the case binder.</p> <p><i>Reference:</i> For instructions on submitting the closing package, see HUD 4155.2 6.A.</p>

Note: The [HOC](#) follows the same process for reconsideration of a file that was either rejected (with an unacceptable rating) or was returned in [FHAC/CHUMS](#) for being incomplete. The processing time for the [HOC](#) on a reconsideration package is five business days from the date of receipt.

5. Excessive Loan Amounts

Introduction This topic contains information on excessive loan amounts, including

- obtaining a mortgage insurance certificate (MIC) when there is an excessive loan amount
- loans that exceed the statutory loan limit
- loans that exceed the maximum allowable amount, and
- lender advancement of the principal loan reduction.

Change Date December 23, 2010

4155.2 8.C.5.a Obtaining a Mortgage Insurance Certificate (MIC) When There Is an Excessive Loan Amount An excessive loan amount occurs when the lender closes a loan in an amount higher than what is permitted by FHA requirements. In order to obtain a Mortgage Insurance Certificate (MIC), the lender may choose to either

- pay down the principal balance, or
- re-close the loan to an insurable amount.

Note: The lender must provide a copy of the payment ledger showing that the principal balance has been paid down to an insurable amount.

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5. Excessive Loan Amounts, Continued

**4155.2 8.C.5.b
Loans That
Exceed the
Statutory Loan
Limit**

If a loan amount exceeds the statutory limit

- FHA Connection/Computerized Homes Underwriting System (FHAC/CHUMS), automatically rejects the case for endorsement
- FHA
 - issues a Non-Endorsement Notice, commonly known as a Notice of Rejection (NOR), to the lender, and
 - returns the case binder and [NOR](#) to the lender with instructions to provide evidence of a principal reduction to an insurable amount, and
- FHA issues the [MIC](#) electronically, with the reduced mortgage amount, upon receipt of evidence of the principal reduction to an insurable amount.

Note: Depending upon the size of the principal reduction, the monthly principal and interest payment amount on the [MIC](#) may or may not match the note. The [MIC](#) must *not* be manually changed to agree with the note. If the lender wants the [MIC](#) to match the note, it must re-close the loan or amend it to an insurable amount.

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5. Excessive Loan Amounts, Continued

4155.2 8.C.5.c Loans That Exceed the Maximum Allowable Amount

If, during the post endorsement technical review (PETR), FHA determines that a loan amount exceeds the maximum allowable (but does not exceed the statutory limit), or exceeds the maximum allowable loan to value (LTV) ratio, the appropriate Homeownership Center (HOC) must require the lender to provide, within 30 days of the date of the letter or notification, evidence that the principal balance has been paid down to an insurable amount.

If the lender does not respond within 30 days (does not return the [MIC](#) to FHA for correction), the [HOC](#) may take appropriate sanctions.

FHA will only consider the existing principal balance and other permissible costs for payment of a claim presented.

Reference: For more information on lender sanctions, see [HUD 4155.2 9.D](#).

4155.2 8.C.5.d Lender Advancement of the Principal Loan Reduction

If the lender advances the principal loan reduction on behalf of the borrower, the lender cannot require borrower repayment, either in a lump sum or monthly payment, if the payment would

- jeopardize the borrower's ability to repay the mortgage, and
 - potentially cause a default.
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6. Mortgage Insurance Certificates

Introduction This topic contains information on mortgage insurance certificates (MICs), including

- confirming status of the MIC
- requesting and downloading the MIC
- requesting corrected and duplicate MICs
- MIC Section of the Act
- Automated Data Processing (ADP) Codes
- correcting case numbers or ADP Codes on the note and security instrument
- suffix codes for tracking ARM activity
- Section of the Act ADP codes for ARMs, and
- ARM type indicators.

Change Date March 1, 2011

4155.2 8.C.6.a Confirming Status of the MIC Lenders may confirm the endorsement status of a loan using the FHA Connection (FHAC), or the FHA Connection Business to Government (FHAC-B2G) application. The [B2G](#) application allows lenders to submit case level data from their loan origination system directly to FHA, without rekeying information.

The table below describes how an originator or sponsor can confirm the endorsement status of a loan.

When confirming the endorsement status of ...	Use the ...	And ...
individual loans	<ul style="list-style-type: none"> • FHAC, or • FHAC-B2G Case Query transaction 	<p>determine if the mortgage was endorsed by examining the <i>last action</i> field for <i>INSURED</i>.</p> <p>Note: ECHO Connection Plus (EPC) users should call 1-888-711-2500 for information.</p>

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6. Mortgage Insurance Certificates, Continued

4155.2 8.C.6.a Confirming Status of the MIC (continued)

When confirming the endorsement status of ...	Use the ...	And ...
multiple loans	<ul style="list-style-type: none"> • FHAC MIC/NOR List transaction, or • FHAC-B2G Mass Case Query transaction 	<p>obtain a list of cases endorsed within a specific time period at the branch or corporate level.</p> <p><i>Note:</i> This function provides a list of all case numbers endorsed within a specified date parameter. Users of ECHO Connection Plus (EPC) should call 1-888-711-2500 for information.</p>

4155.2 8.C.6.b Requesting and Downloading the MIC

When requesting the mortgage insurance certificate (MIC), the lender is required to specify whether it is to be prepared in the name of the

- Originator (Principal), or
- Authorized Agent.

When FHA endorses a loan and issues the [MIC](#), the lender downloads the electronic MIC from the [FHAC](#).

Note: The name on the MIC is the name of the originator or Authorized Agent as it appears on HUD’s systems.

4155.2 8.C.6.c Requesting Corrected and Duplicate MICs

The electronically-issued [MIC](#) eliminates the need to request duplicate MICs because lenders can download and print copies as needed.

Lenders *cannot* obtain corrected MICs through [FHAC](#).

Reference: For instructions on obtaining a corrected MIC, see [HUD 4155.2 12.E.3](#).

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6. Mortgage Insurance Certificates, Continued

4155.2 8.C.6.d MIC Section of the Act Automatic Data Processing (ADP) Codes

The section of the Act Automated Data Processing (ADP) Code is an important item on the MIC, which FHA verifies for accuracy. The [ADP Code](#)

- identifies the insuring section and the applicable FHA insurance fund
- indicates an assistance payment contract, if any, and
- identifies the mortgages that do not require payment of an upfront mortgage insurance premium (UFMIP).

Reference: For a list of the Home Mortgage ADP Codes, see [HUD 4155.2.12.B.1](#).

4155.2 8.C.6.e Correcting Case Numbers or ADP Codes on the Note and Security Instrument

The lender must show the HUD case number and the section of the Act [ADP Code](#) on the note and the security instrument. The [ADP Code](#) must be the same as that shown on Form [HUD-92900-A](#), *HUD/VA Addendum to Uniform Residential Loan Application*.

The lender does *not* need to redraw documents to correct the case number or the [ADP Code](#). The lender may draw a line through incorrect numbers, and write in the correct number. The borrower does not need to initial changes to the case number or the [ADP Code](#).

The lender should provide the borrower with a copy of the documents that contain the correct case number.

4155.2 8.C.6.f Suffix Codes for Tracking ARM Activity

Case number suffix codes (Section of the Act [ADP Codes](#)) used to track adjustable rate mortgage (ARM) activity are

- indicated on all Forms [HUD 92900-A](#), *HUD/VA Addendum to Uniform Residential Loan Application*, and
 - printed on computer-generated [MICs](#).
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6. Mortgage Insurance Certificates, Continued

4155.2 8.C.6.g
Section of the
Act ADP Codes
for ARMs
(Reference)

A complete list of the Section of the Act [ADP](#) suffix codes for [ARM](#) loans is available via the [FHAC](#), or at [HUD 4155.2 12.B.1.a](#).

4155.2 8.C.6.h
ARM Type
Indicators

In addition to the [ADP](#) suffix codes assigned to [ARMs](#), a hybrid ARM type indicator has been added to [FHAC](#).

When submitting loan data to FHA via the [FHAC](#), or its functional equivalent, if an ARM is indicated by an ADP code, the lender must also identify the type of ARM by selecting the one-, three-, five-, seven-, or ten-year ARM type indicator.

Note: Using this process is likely to result in fewer errors than adding additional ADP codes for each individual hybrid ARM offering.

7. Late Requests for Endorsement

Introduction This topic contains information on late requests for insurance endorsement, including

- FHA criteria for determining late requests for insurance endorsement
- evaluating a late endorsement request
- requirements for the late endorsement request certification
- sanctions for false certifications
- cases submitted for reconsideration after receiving an NOR, and
- examples of late endorsement request processing/certification requirement.

Change Date December 23, 2010

**4155.2 8.C.7.a
FHA Criteria
for
Determining
Late Requests
for Insurance
Endorsement** A request for insurance endorsement is considered “late” when the case binder is received by the Homeownership Center (HOC) more than 60 days after loan settlement or funds disbursement, whichever is later.

Late requests trigger the need for additional documentation. FHA believes that the 60-day timeframe is sufficient for the lender to

- assemble the uniform case binder
- obtain any final documents or signatures, and
- ship the binder to the appropriate [HOC](#) for endorsement processing.

FHA determines whether a mortgage is received late based on the date that the [HOC](#) actually receives the case binder. Lenders must consider mailing and processing times when submitting case binders to the [HOC](#).

Note: Lenders can determine the date the case binder was received by the HOC and logged into FHA Connection/Computerized Homes Underwriting System (FHAC/CHUMS) by reviewing the Case Status screen in [FHAC](#).

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7. Late Requests for Endorsement, Continued

4155.2 8.C.7.b Evaluating a Late Endorsement Request

When a case involving a late request for endorsement is received, FHA reviews the lender's certification and determines whether to accept or reject the request. If the review indicates that the degree of risk to HUD is not greater than that at the time of closing, the mortgage may be endorsed.

A mortgage that is in default when submitted for endorsement will *not* be insured *except* in those instances where FHA was demonstrably responsible for a delayed request. If the appropriate [HOC](#) determines that the delay in submission was FHA's fault, the lender is *not* required to submit the additional documentation described in [HUD 4155.2 8.C.7.c](#).

4155.2 8.C.7.c Requirements for Late Endorsement Request Certification

When submitting a late request for endorsement under the circumstances described below, the lender is required to include a dated certification with an original signature of its representative on company letterhead, which includes the lender's complete address and telephone number.

The certification must be specific to the case being submitted, identifying the FHA case number and the name(s) of the borrower(s) and must state that

- at the time of the certification, no mortgage payment is currently unpaid more than 30 days
- all escrow accounts for taxes, hazard insurance and mortgage insurance premiums are current and intact, except for disbursements that may have been made to cover payments for which the accounts were specifically established, and
- the lender or its agents did not provide the funds to bring and/or keep the loan current or to bring about the appearance of an acceptable payment history.

Important: If the payment due for the month *before* the lender submitted the loan for endorsement has yet to have been received, the loan is *not* eligible for endorsement.

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7. Late Requests for Endorsement, Continued

- 4155.2 8.C.7.d
Sanctions for
False
Certifications**
- HUD may impose administrative sanctions against individuals found making false certifications, including, but not limited to
- debarment from participation in HUD’s and other Federal agency programs
 - civil money penalties, and
 - Program Fraud Civil Remedies Act sanctions.

Reference: For more information on lender sanctions, see [HUD 4155.2 9.D.](#)

- 4155.2 8.C.7.e
Cases
Submitted for
Re-
consideration
After Receipt of
a Notice of
Rejection
(NOR)**
- If the appropriate [HOC](#) returns a uniform case binder to the lender by issuing an Receipt of a Notice of Rejection (NOR) or subsequent [NOR](#), the [HOC](#) must receive the reconsideration request for insurance endorsement within the original 60-day period, or 30 days from the date of issuance of the original [NOR](#), whichever is greater.
- The lender must comply with the procedures for late requests for endorsement found in [HUD 4155.2 8.C.7.c](#) if either the

- lender’s reconsideration request is received after the expiration of the applicable date, or
 - issuance of a subsequent [NOR](#) results in receipt of the lender’s resubmission after the applicable date.
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- 4155.2 8.C.7.f
Examples: Late
Endorsement
Processing/
Certification
Requirement**
- Mortgage Loan Details:*
Mortgage closed on June 4th with first payment due on August 1st.
- Lender Case Submission Scenario 1:*
No certification is required if the mortgage insurance application is received for endorsement on or before August 31st. However, the certification *is* required if the

- mortgage case binder is sent back to the lender due to a [NOR](#), and
- lender is not able to respond correctly before the later of 30 days or when the certification period begins (September 1st, in this example).

Lender Case Submission Scenario 2:
If the mortgage is received for endorsement in the [HOC](#) on or after September 1st (or the first business day after that date), then the lender must provide the endorsement certification.
