Paragraph	TABLE OF CONTENTS	Page
	CHAPTER 1. GENERAL	
1-1 1-2 1-3 1-4	General Use of this Handbook Authorities and Responsibilities Quotas  CHAPTER 2. ELIGIBILITY CRITERIA	1-1 1-1 1-2 1-3
2-1 2-2 2-3 2-4	General Mortgages Ineligible for Assignment Consideration Who May Apply for Assignment? Criteria to Determine Eligibility A. Criterion One - Lender informed the borrower that it	2-1 2-1 2-1 2-3 2-3 2-4 2-5
2-5 2-6 2-7	subject to a mortgage insured or held by the Secretary  E. Criterion Five - Circumstances beyond the borrower's control caused the default  F. Criterion Six - There is a reasonable prospect that the borrower will be able to resume full mortgage payments  Documentation of Eligibility Criteria Assignment Recommendation and Acceptance Automatic Assignment of Defaulted Mortgages on Indian Reservations	2-5 2-6 2-12 2-16 2-18 2-18
	CHAPTER 3. INITIAL APPLICATION PROCESS REQUIREMENTS	2 10
3-1 3-2 3-3 3-4 3-5 3-6 3-7 3-8	General Housing Counseling Availability Responsibilities of Housing Counseling Agencies Responsibilities of HUD Field Offices Lender Initial Processing Requirements Lender Evaluation of Case Lender Assignment Decision Overview of Scenarios	3-1 3-2 3-2 3-3 3-3 3-5 3-6 3-6
	CHAPTER 4. SCENARIO ONE REQUIREMENTS  Lender Recommends Borrower for Assignment	
4-1 4-2 4-3	Scenario One Lender Requirements Scenario One Field Office Requirements Assignment Decision	4-1 4-2 4-5

CHAPTER 5. SCENARIO TWO REQUIREMENTS Lender Does Not Recommend Borrower for Assignment

5-1	Scenario Two Lender Requirements	5-1	
5-2 5-3	Scenario Two HUD Field Office Requirements Assignment Decision	5-1 5-4	
i	03/95		
	4330.2 REV-2		
2			
	CHAPTER 6. SCENARIO THREE REQUIREMENTS Borrower Does Not Respond to Lender Assignment - Applies Directly to HUD	Packet	
6-1 6-2 6-3	Scenario Three Lender Requirements Scenario Three Field Office Requirements Assignment Decision	6-1 6-2 6-6	
	CHAPTER 7. ASSIGNMENT DECISION NOTIFICATION		
7-1 7-2	Positive Decision Notification Negative Decision Notification	7-1 7-1	
	CHAPTER 8. APPEAL PROCESS		
8-1 8-2 8-3 8-4 8-5 8-6	Scheduling the Appeal Telephone and Mail-in Appeals Pre-Appeal Conference Responsibilities Conducting the Appeal Conference Failure to Appear Final Appeal Decisions	8-1 8-1 8-1 8-2 8-3 8-3	
	CHAPTER 9. GENERAL PROCESSING GUIDELINES		
9-1 9-2 9-3 9-4 9-5 9-6 9-7 9-8 9-9	Returning Cases to Mortgagees for Additional Servicing Time Limits Good Cause Communication With Borrowers Date of Default Verification of FHA-insurance Inspection for Damage Assignment Processing and Bankruptcy Assigning the Mortgage Changed Circumstances After Assignment is Authorized	9-1 9-2 9-2 9-4 9-5 9-6 9-7 9-8 9-9	
CHAPTER 10. FIELD OFFICE RECORD KEEPING AND REPORTING REQUIREMENTS			
10-1 10-2 10-3 10-4 10-5	Importance of Accurate Records Workload/Controls Organization of Case Files Reporting Requirements File Retention	10-1 10-1 10-1 10-2 10-2	

#### APPENDICES

APPENDIX A - Letters

APPENDIX B - Pamphlet and Forms

APPENDIX C - Case Studies

APPENDIX E - Government Printing Office (GPO) Bookstores

03/95ii

4330.2 REV-2

15.

### APPENDIX A - LETTERS

### ASGN# LETTER NAME

ASGN#	LETIER NAME
1.	Borrower Information Packet Cover Letter
2.	Lender Assignment Packet Cover Letter
3.	Status Letter #1 - Positive Recommendation to HUD
4.	Status Letter #2 - No Recommendation to HUD
5.	Lender Follow-up Assignment Packet Cover Letter
6.	HUD Assignment Packet Cover Letter
7.	Letter to the Lender - Mortgage is not FHA-insured
8.	Field Office Letter to Lender Requesting Missing Documentation
9.	Letter to Lender when Requested Documentation has not been Received within the Specified Time Frame
10.	Field Office Request for Additional Information from Borrower
11.	HUD Assignment Program Flyer
12.	Letter to Lender Terminating Assignment Evaluation
13.	Field Office Request for Documentation from Lender (for Scenario Three)
14.	Field Office Positive Decision Letter

Assignment Acceptance Letter to Lender

iii03/95	
21.	Bankruptcy Conditional Approval Letter to Lender
20.	Letter Returning Case to Lender
19.	Post-Appeal Negative Decision Letter to Lender
18.	Post-Appeal Negative Decision Letter to Borrower
17.	Field Office Appeal Confirmation Letter
16.	Field Office Negative Decision Letter

# APPENDIX B - PAMPHLET AND FORMS

4330.2 REV-2

Form # Name

Form #	Name
1.Pamphlet HUD PA-426-H	Saving Your Home
2.HUD-92004-G	Request for Verification of Employment
3.HUD-92068-F	Request for Financial Information
4.HUD 92201	Appeal/Payment Plan Conference Long
5.HUD-92203	Lender Transmittal to HUD
6.HUD-92204	Field Office Checksheet for Positive Lender Recommendations
7.HUD-92206	Background Data for HUD Assignment of Mortgage
8.HUD-92207	Mortgage Assignment Program Application
9.HUD-92208	Analysis of Borrower's Income and Expenses
10.HUD-92209	Analysis and Documentation of Assignment Eligibility Criteria
11.HUD-92212	Date of Default Analysis
12.HUD-92219	Assignment Request Case History Sheet

## APPENDIX C - CASE STUDIES

APPENDIX D - FLOWCHARTS OF ASSIGNMENT APPLICATION PROCESS

1. Scenario One: Lender Recommends Borrower for Assignment

- 2. Scenario Two: Lender Does Not Recommend Borrower for Assignment
- 3. Scenario Three: Borrower Does Not Respond to Lender Assignment Packet Applies Directly to HUD

APPENDIX E - Government Printing Office (GPO) Bookstores

03/95iv