



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

ASSISTANT SECRETARY FOR HOUSING-  
FEDERAL HOUSING COMMISSIONER

August 23, 2012

**MORTGAGEE LETTER 2012-16**

**TO:** All FHA-Approved Multifamily and Healthcare Mortgagees

**SUBJECT:** Multifamily Housing and Healthcare Facilities Implementation of Pay.gov for Annual Mortgage Insurance Premiums

The purpose of this Mortgagee Letter is to announce the implementation of a change in the collection process for annual Mortgage Insurance Premium (MIP) payments for all FHA-insured Multifamily Housing and Healthcare projects, including Residential Care Facilities and Hospitals.

Beginning October 1, 2012, annual MIP payments must be paid electronically by the lender directly to Pay.gov, operated by the U.S. Department of Treasury. Paper checks, drafts, or Automated Clearing House (ACH) transfers for payment into HUD's MIP Lock Box will no longer be accepted. Paper checks or drafts received by HUD after October 1, 2012, for annual MIP payments will be returned to the lender. Beginning November 1, 2012, late fees will be charged to lenders whose checks are returned due to submission of MIP payments to the HUD MIP Lock Box.

Note that Pay.gov is not yet designed to accept payment of upfront FHA application, extension, re-opening, inspection fees, and initial MIP payments submitted at loan closing. The Department will provide further notice when the system is upgraded to accept those fees.

In order to access the Pay.gov portal, lenders must establish an FHA Connection user account by clicking on the "Registering a New User" hyperlink on FHA Connection, as discussed in-depth in the attached Pay.gov Lender User Manual, dated June 14, 2012. If the lender is already an established user in FHA Connection, the Application Coordinator must use the ID Maintenance function to authorize the user's access to the Pay.gov functions. These steps are also discussed in the Pay.gov Lender User Manual. The HUD assigned FHA case number must also be used when making a payment to ensure that the payment is credited to the correct project.

Lenders will be able to start the process to obtain their access to Pay.gov through FHA Connection beginning August 1, 2012. However, the effective date to begin submitting annual MIP

payments is October 1, 2012. Questions regarding this Mortgagee Letter should be directed to: Multifamily Insurance Operations, (202) 402-4250. “Persons with hearing or speech impairments may access this number via TTY by calling the Federal Information Relay Service at (800)877-8339.”

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Carol J. Galante  
Acting Assistant Secretary for Housing –  
Federal Housing Commissioner

[Attachment](#)