

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-8000

ASSISTANT SECRETARY FOR HOUSING-FEDERAL HOUSING COMMISSIONER

November 8, 2010

Mortgagee Letter 2010-37

TO: ALL APPROVED MORTGAGEES HUD-APPROVED HOUSING COUNSELING AGENCIES

SUBJECT: Home Equity Conversion Mortgage (HECM) Program: Clarification of Policies Regarding the Requirement that HECM Lenders Provide Prospective HECM Borrowers a List of HECM Counseling Agencies

PurposeThis Mortgagee Letter (ML) provides guidance to lenders regarding• completing a screen in FHA Connection entitled HECM Referral List
Update

• timing for completion of the screen.

Effective Date The guidance provided in this ML is effective for case numbers issued on or after February 1, 2011. Lenders may opt to begin using these screens on November 22, 2010, however, it is not required until February 1, 2011.

Questions If you have any questions regarding the Mortgagee Letter, please call the FHA Resource Center at 1-800- CALL-FHA (1-800-225-5342). Persons with hearing or speech impairments may access this number via TDD/TTY by calling 1-877-TDD-2HUD (1-877-833-2483).

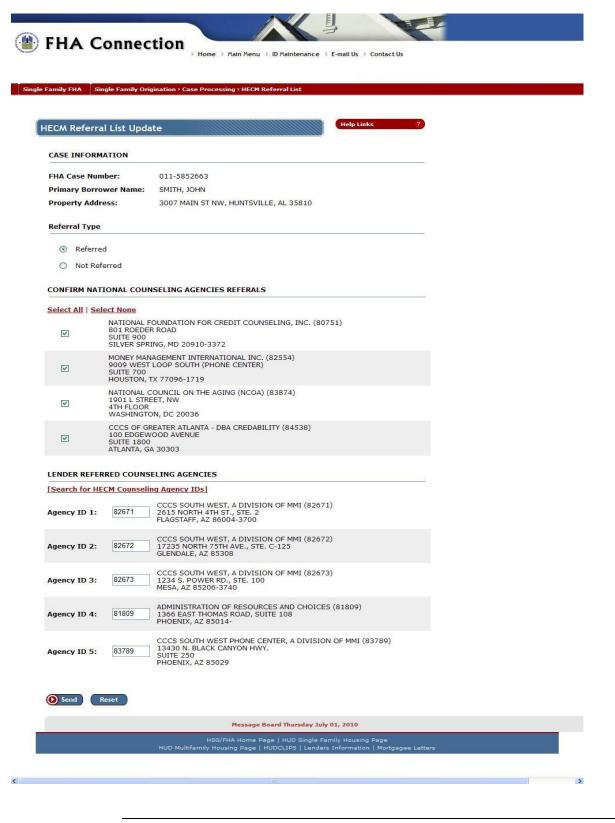
Signature David H. Stevens

Assistant Secretary for Housing-Federal Housing Commissioner

ML 10-37.a HECM Counselor List Background	 Lenders are required to provide each client with a list of HECM counseling agencies and that list must include no fewer than nine HUD-approved counseling agencies. The list of counseling agencies must include at least: five agencies within the local area and/or state of the prospective borrower one of the local agencies located within a reasonable driving distance for the purpose of face-to-face counseling, and the following four national intermediaries National Foundation for Credit Counseling (NFCC) Money Management International (MMI) National Council on the Aging (NCOA) CredAbility
ML 10-37.b FHA Connection HECM Referral List Update Requirements	Within one (1) business day of requesting a FHA case number, a lender should complete the HECM Referral List Update in FHA Connection. The screen must be completed prior to a HECM loan being endorsed for insurance.
	This screen requires the lender to input the nine agencies that the lender provided on the list given to the client.

ML 10-37.cThe following are samples of the HECM Referral List Update screens. The
first is a sample of the screen prior to completion by the lender. The second
is a sample of the screen containing the list of agencies entered by the lender.Update Screens

amily FHA Si	Single Family Origination > Case Processing > HECM Referral List	
ECM Referra	ral List Update ?	
CASE INFORM	MATION	
FHA Case Nun	mber: 011-6688758	
Primary Borro		
Property Addr	Iress: 71 MAIN ST, GUNTERSVILLE, AL 35976	
Referral Type	3	
Referre	ed	
O Not Ref	lferred	
CONFIRM NAT	TIONAL COUNSELING AGENCIES REFERALS	
Select All Se	elect None	
	NATIONAL FOUNDATION FOR CREDIT COUNSELING, INC. (80751) 801 ROEDER ROAD SUITE 900 SILVER SPRING, MD 20910-3372	
	MONEY MANAGEMENT INTERNATIONAL INC. (82554) 9009 WEST LOOP SOUTH (PHONE CENTER) SUITE 700 HOUSTON, TX 77096-1719	
	NATIONAL COUNCIL ON THE AGING (NCOA) (83874) 1901 L STREET, NW 4TH FLOOR WASHINGTON, DC 20036	
	CCCS OF GREATER ATLANTA - DBA CREDABILITY (84538) 100 EDGEWOOD AVENUE SUITE 1800 ATLANTA, GA 30303	
	ERRED COUNSELING AGENCIES IECM Counseling Agency IDs]	
Agency ID 1:		
Agency ID 2:		
Agency ID 3:		
Agency ID 4:		
Agency ID 5:		
Send	Reset	
	Message Board Thursday July 01, 2010	



ML 10-37.d When a Client is Not Referred	The lender must check the "Not Referred" box only if a client has already been counseled by a HUD-approved HECM counselor. The client must be able to confirm that s/he has received counseling by providing the lender a completed Form HUD 92902, Certificate of HECM Counseling, which verifies where and when the client received HECM counseling, and that they received counseling from a HUD-approved HECM counselor.
Information Collection Requirements	The information collection requirements contained in this document is pending approval by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3501-3520) and assigned OMB control number 2502-0524. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number.