



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

WASHINGTON, DC 20410-8000

ASSISTANT SECRETARY FOR HOUSING-
FEDERAL HOUSING COMMISSIONER

August 26, 2011

Mortgagee Letter 2011-31

**TO: ALL APPROVED MORTGAGEES
HUD-APPROVED HOUSING COUNSELING AGENCIES**

SUBJECT: Home Equity Conversion Mortgage (HECM): Revised Form HUD 92902, Certificate of HECM Counseling and Clarification of Counseling Guidance

Purpose This Mortgagee Letter (ML) provides guidance to counselors and lenders regarding

- Revisions to form HUD 92902, Certificate of HECM Counseling (Certificate) found on HUDClips
- Documenting the power of attorney
- Clarification of signatures and dates on the Certificate
- Counselor revisions to Certificates
- Changing lenders, transfers and issuance of new case numbers related to Certificates

Effective Date This guidance is effective 30 days from the date of this ML.

Questions If you have any questions regarding this ML 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 TTY by calling the Federal Information Relay Service at (800) 877-8339.

Signature Carol J. Galante

Acting Assistant Secretary for Housing-Federal Housing Commissioner

Continued on next page

Mortgagee Letter 2011-31, Continued

ML 11-xx.a Revisions to form HUD- 92902

The Certificate was revised as follows

- Specific data field for attorney-in-fact (AIF) holding the Power of Attorney (POA) name and signature line
 - HECM Saver has been added as one of the options counselors will present to clients
 - Agency Tax Identification Number has been replaced with Agency Housing Counseling System Identification number.
 - HECM for Purchase Certification by homebuyer
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ML 11-xx.b Documenting the Power of Attorney

In situations where a POA is being utilized, the name of the AIF will be entered at the top of the Certificate along with the name of the homeowner. The AIF must sign the bottom of the Certificate in the space provided.

Note: The datafields for the POA will be used either to insert the name of any person holding and exercising a durable power of attorney, or of a court-appointed conservator or guardian.

ML 11-xx.c Clarification of Signatures on the Certificate

All owners shown on the property deed (or legal representative, in cases involving documented lack of competency) and a non-borrowing spouse must personally receive counseling. The Certificate must be signed and dated by both

- the counselor,
- all owners shown on the property deed (or legal representative for cases involving documented lack of competency), and
- Non-borrowing spouse.

Note: This guidance replaces “All owners shown on the property deed are eligible mortgagors and each of them (or legal representative, as described above) must sign the counseling certificate,” as found in ML 2004-25 under the Counseling Certificate session.

Note: As an update to ML 2006-25, non-borrowing spouses must attend HECM counseling and must sign and date the Certificate to acknowledge their participation and completion of HECM counseling.

Continued on next page

Mortgagee Letter 2011-31, Continued

ML 11-xx.d Dates on Certificates

The HECM counselor will insert the date the counseling was completed and the Certificate expiration date. All signatories, (counselor, homeowner(s) and AIF or guardian/conservator, if applicable), should date the Certificate the day they sign it.

Note: If an adjustment or revision is needed to the Certificate, the counselor should sign the revised copy and use the same date that was inserted on the original Certificate.

ML 11.xx.e Revisions to Certificates

Revisions can only be made to Certificates up to the time of endorsement. Once a loan has been endorsed a Certificate cannot be revised.

ML 11-xx.f Changing Lenders and Issuance of New Case Numbers

HECM Certificate numbers can be associated with a new case number by entering the certificate number on the Case Number Assignment screen or the Insurance Application screen in FHA Connection (FHAC). As long as the Certificate is valid, the system will update so the certificate is associated with only the new case number.

Existing case numbers may be transferred, in FHAC, by one approved lender to another without regard to Certificate expiration dates.

Note: Case numbers expire six (6) months after the date of the last FHAC activity. Lenders should act expediently to obtain a new FHA case number because each case is specifically tied to a unique HECM Certificate which expires 180 days from the date of counseling, if a case number has not already been assigned.

Information Collection Requirements

The information collection requirements contained in this document are 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.