



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

FEDERAL HOUSING ADMINISTRATION

SINGLE FAMILY HOUSING



National Reverse Mortgage Lenders Association 2023 Western Regional Meeting

Home Equity Conversion Mortgage Update

June 6, 2023

Presented by:

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Branch 3 – National Servicing

Center



OFFICE OF SINGLE FAMILY HOUSING

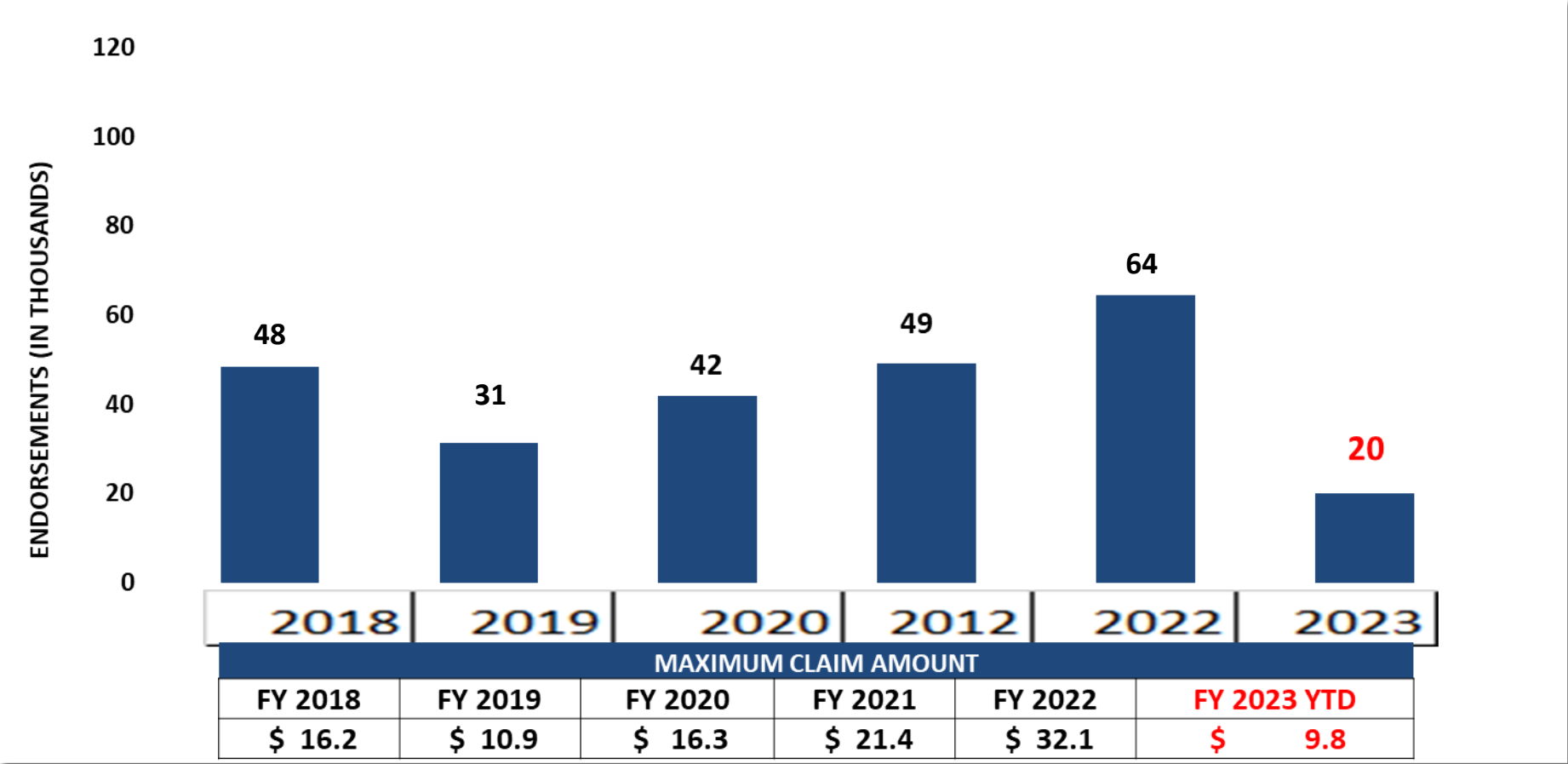


By the Numbers



HECM Endorsements

Fiscal Year Volume

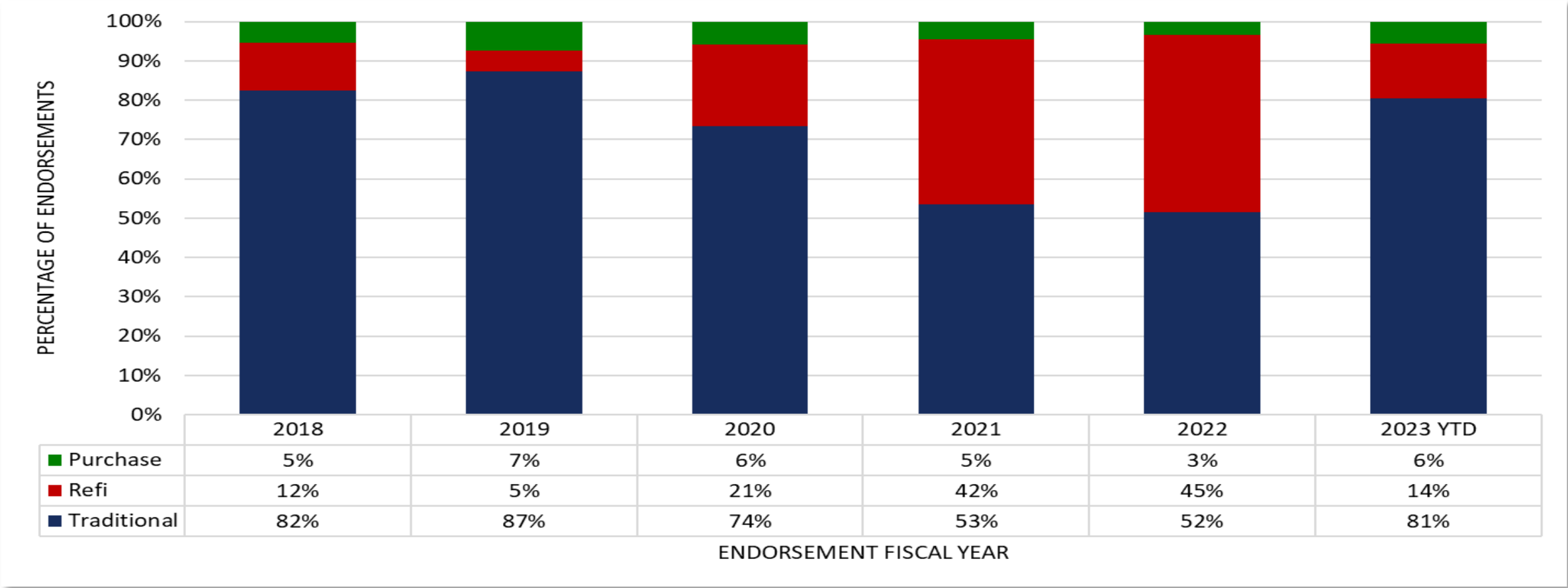


Data as of April 30, 2023



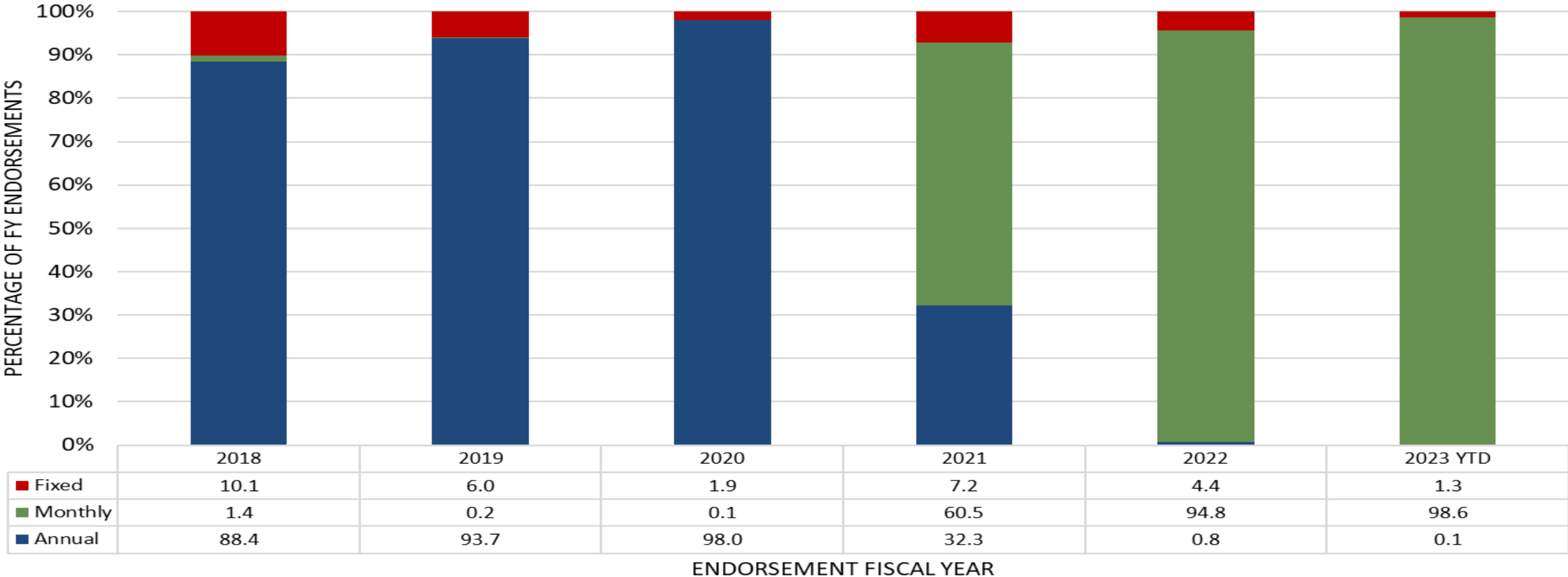
HECM Endorsements

By Product Type and Fiscal Year

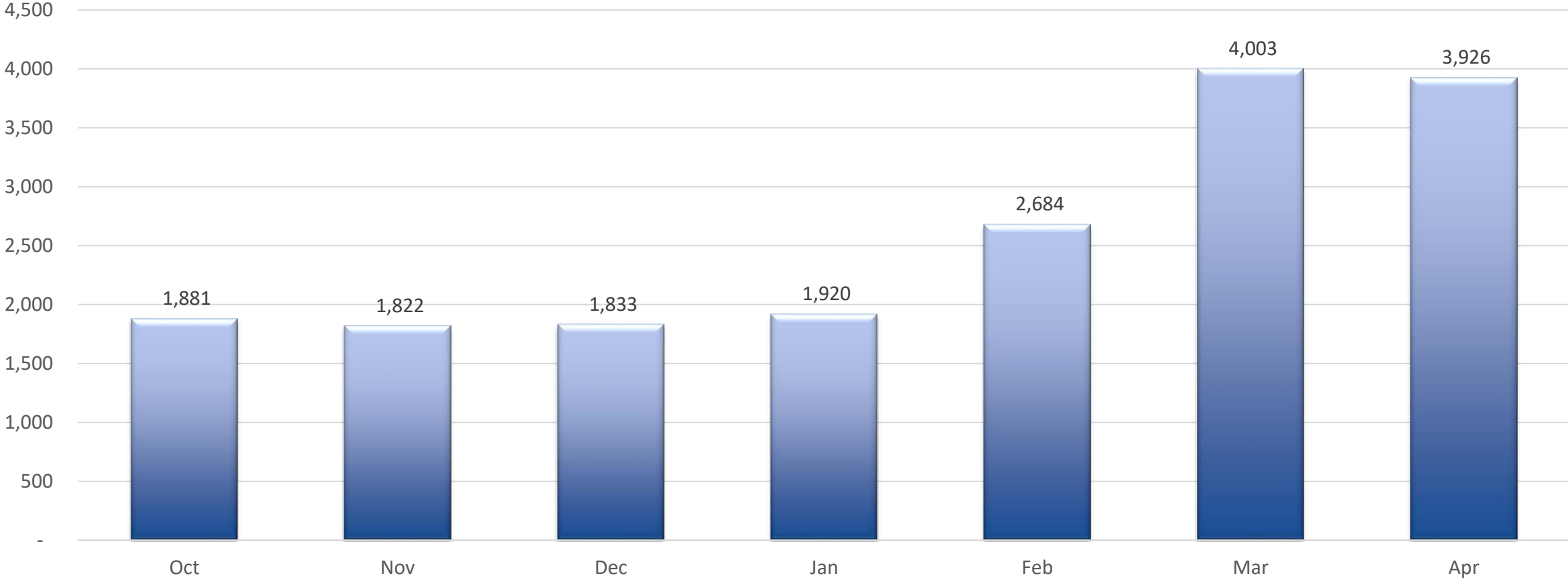


HECM Endorsements

By Rate Type and Fiscal Year

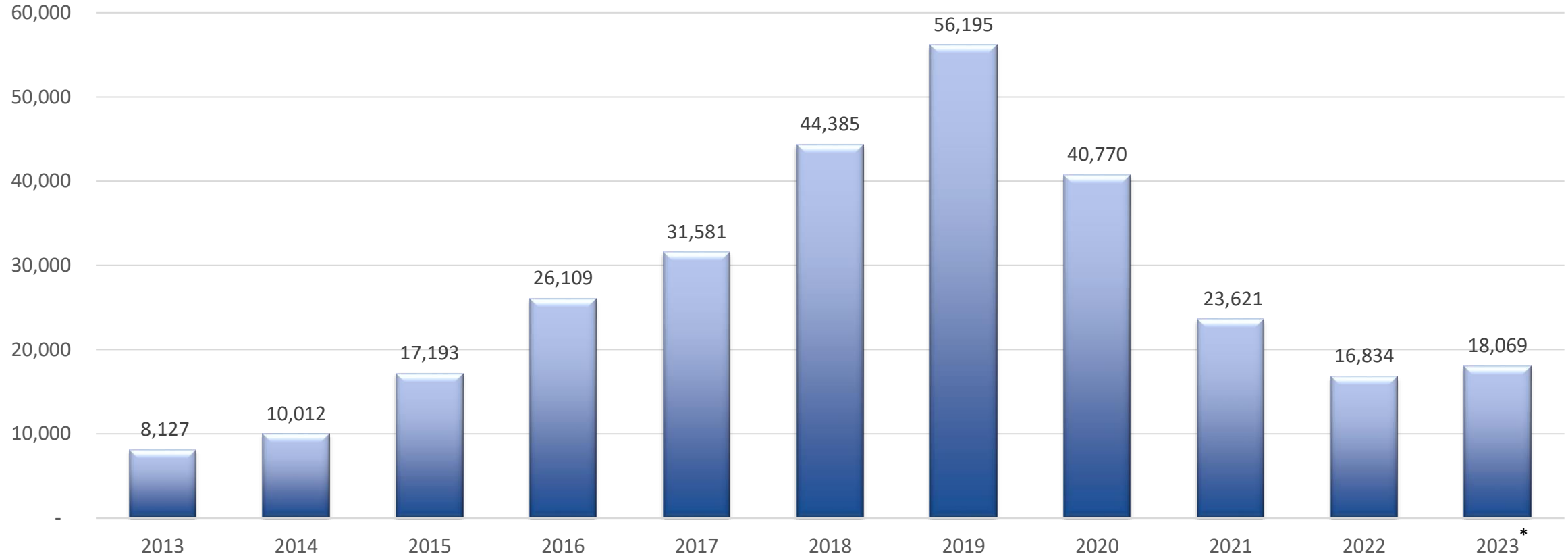


Incoming Assignment Requests by Month FY23



Secretary Held Portfolio

Number of Incoming Assignment Requests FY 2013 - 2023

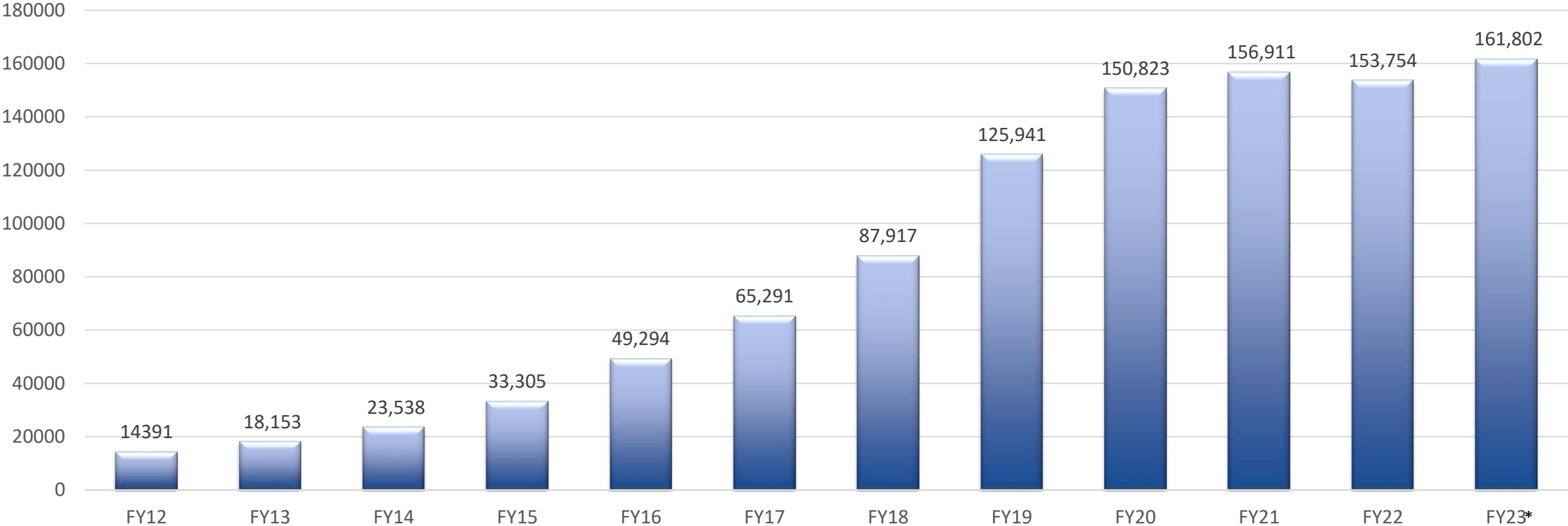


*FY23 Data through 4/30/2023



Secretary Held Portfolio

Portfolio Size Fiscal Years 2013 - 2023



*FY23 Data through 4/30/2023



Key Policy Updates



Policy Updates

Mortgagee Letter 2023-10: Modification to the HECM Assignment Claim Type 22 (CT-22) Submission Criteria and Documentation Requirements

- Key Changes:
 - Lowers the minimum loan balance required to submit an assignment request from 97.5% to 97%
 - Allows for submission of original notes and mortgages no later than 90 days after assignment claim payment
 - Aligns deadline for delivering recorded assignments of mortgage to the Secretary to no later than 12 months after the date of assignment claim payment for all HECMs
 - Modifies the supporting documentation that must be provided when an assignment claim request is submitted



Policy Updates

Mortgagee Letter 2023-09: Adjustable-Rate Mortgages (ARM): New Secretary-Approved Interest Rate Indices and Requirements for Transitioning from the London Interbank Offered Rate (LIBOR) Index

- Key Servicing Change
 - Announced CME Term Standard Overnight Financing Rate (SOFR) Index as the Secretary-Approved index for existing HECMs

Existing FHA-Insured LIBOR-indexed Adjustable Rate HECMs	Secretary-Approved Replacement Index
Annually Adjustable Rate HECMs	12-Month CME Term SOFR
Monthly Adjustable Rate HECMs	1-Month CME Term SOFR

Feedback Update

- FHA's Office of Single Family Housing Drafting Table: Modifications to FHA Home Equity Conversion Mortgage (HECM) Requirements Related to Secretary Payment of Borrower Disbursements Due to Mortgagee Default
- Key Changes
 - Modifies 24 CFR § 206.121(a) to provide additional sources from which FHA can receive notice of a Mortgagee's inability to make Borrower payments; and
 - requires Mortgagees to provide Borrower payment information to FHA when FHA must make HECM Borrower payments due to a Mortgagee's default on their Borrower payment obligations.
- Feedback due to sffeedback@hud.gov by end of day, Monday, June 12, 2023.



Additional Information



HECM Loan Servicing Contractor

On December 12, 2022, Compu-Link Corporation began servicing the Secretary Held HECM portfolio.

Compu-Link Corporation
14002 East 21st Street, Suite 300
Tulsa, OK 74134
Fax: 888-385-2824

Phone calls should be directed to the FHA Resource Center at 1-800-255-5342.



FHA Resource Center

	Option	Point of Contact	Hours Available	Comments
1	Website	www.hud.gov/answers	24/7/365	Website includes option to email questions.
2	Email	answers@hud.gov	24/7/365	
3	Telephone	1-800-CALL-FHA (1-800-225-5342) Persons with hearing or speech impairments may reach this number by calling the Federal Relay Service at 1-800-877-8339.	8:00 AM to 8:00 PM Eastern M-F (including all non-Federal holidays)	Voicemail is available after hours or during extended wait periods. FHA FAQs are available after hours.

FHA INFO emails: Frequent email notifications of new policies and training opportunities for anyone who signs up. Subscribe at: https://portal.hud.gov/hudportal/HUD?src=/program_offices/housing/sfh/FHA_INFO_subscribe



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