Title I Claim for Loss
Instructions

U.S. Department of Housing and Urban Development
Office of Housing
Federal Housing Commissioner

OMB Approval No. 2502-0328
(exp. 01/31/2016)

Public reporting burden for this collection of information is estimated to average 1 hour per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This information is being collected to permit more efficient risk management of the Title I loan portfolio as well as facilitate claims processing for loan defaults. The information provides a more comprehensive basis for evaluating Title I lender underwriting practices and thereby improving risk management of the loan portfolio and also enhances management's ability to determine appropriate policy changes affecting the Title I portfolio as a whole. Responses are required in order to obtain benefits. No assurance of confidentiality is provided.

Sensitive Information: The information collected on this form is considered sensitive and is protected by the Privacy Act. The Privacy Act requires that these records be maintained with appropriate administrative, technical, and physical safeguards to ensure their security and confidentially. In addition, these records should be protected against any anticipated threats or hazards to their security or integrity which could result in substantial harm, embarrassment, inconvenience, or unfairness to any individual on who the information is maintained.

This package contains two pages: the Transmittal (Part 1), and the Application Voucher (Part 2). Please keep a copy. Send originals to:

U.S. Department of Housing and Urban Development
Financial Operations Center
Attn: Title I Claims
52 Corporate Circle
Albany, NY 12203

Time Requirements: A claim must be filed no later than 9 months after the date of default for a property improvement loan. A claim for a manufactured home purchase loan (including lots and combination loans) must be filed within 3 months after the sale of the property securing the loan, but no later than 18 months after the date of default. Exception to these deadlines can be found at 24 CFR 201.54(b)(2) and (3).

Accuracy and Completeness: All applicable spaces on the Transmittal and the Application Voucher must be completed and any omissions or incomplete items must be explained. Both pages must be signed and dated by an authorized official of the lending institution, and must be accompanied by the complete loan file pertaining to the loan transaction. The original note, security instrument and any related documents must be submitted with the claim.

Bankruptcy/Decedent Estate: When the lender has timely information that the borrower is involved in a bankruptcy proceeding or is deceased, a proof of claim must be filed with the bankruptcy or probate court having jurisdiction. However, a proof of claim need not be filed if the bankruptcy court indicates that the borrower has no assets, or if the lender determines that there will not be a probate proceeding. Documentation of the reason why no proof of claim has been filed must accompany the insurance claim.

Form of Assignment: All notes and security instruments must be assigned to the United States of America. The assignment must appear on the note or other instrument being assigned, or on an attachment to the note or other instrument. The assignment must be in the following form, unless this form is not valid or generally acceptable in the jurisdiction where the property is located:

All right, title, and interest of the undersigned is hereby assigned (without warranty, except that the loan qualifies for insurance) to the United States of America (U.S. Department of Housing and Urban Development).

(Name of Financial Institution)

By: _____

Title: _____

Date: _____

Please Note that filling in the information on this sample form does not constitute an assignment. The above is intended to be used only as a guide.

Refinanced Loans: Copies of the note, security instrument and all other documents pertaining to the original loan must be retained in the loan file for the refinanced loan, and must accompany an insurance claim on the refinanced loan.

Payments Received after Filing the Claim: If the borrower sends a payment to the lending institution after the insurance claim has been filed, send the payment with full identification to:

Title I Notes
P. O. Box 105664
Atlanta, GA 30348

Title I Claim for Loss
(Part 1) Transmittal

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Read Instructions carefully before completing this form.

1. Names of Borrowers	2. Title I Case Number
	3. Reason for Default

		Please provide the following items listed below and any additional documents necessary for claim examination and loan servicing. Where the item does not apply, indicate "N/A".	**Check Items Enclosed**	**HUD Use Only**
A. Documents for Property Improvement and Manufactured Home Loans	**1**	Original Note or Retail Installment Contract Assigned to USA		
	2	Truth-in-Lending Disclosure		
	3	Mortgage, Deed of Trust, Other Security Instrument with Original Recorded Assignment to USA		
	4	Modification or Assumption Agreements		
	5	Credit Application		
	6	Consumer Credit Report		
	7	Verification of Employment and Income		
	8	Payment History		
	9	Loan and Collection Notes		
	10	Underwriters Worksheet		
B. Documents for Property Improvement Loans Only	**1**	Proof of Property Ownership		
	2	Contract of Work or Written Description with Cost Estimates		
	3	Completion Certificate		
	4	Report on Inspection of Improvements (if loan amount ≥ $7,500)		
C. Documents for Manufactured Home Loans Only	**1**	Verification of Deposit of Down payment		
	2	Purchase Agreement		
	3	Manufacturer's Invoice and FHA Supplement		
	4	Invoices for Delivery and Set-up, Skirting, Air Conditioning, etc.		
	5	Appraisal of Existing Home and/or Lot		
	6	Manufacturer's Warranty on New Home		
	7	Placement Certificate		
	8	Evidence of Ownership or Leasehold for Lot		
	9	Condition Report		
	10	Notice of Sale in Compliance with State Law		
	11	Appraisal of Repossessed or Foreclosed Property		
	12	Resale Purchase Agreement		
	13	Receipts for Repossession or Foreclosure Costs		
	14	Invoice for Sales Commission		
	15	Receipts for Resale Costs (e.g. reconditioning, added appliances)		
D. Other Documents for Property Improvement and Manufactured Home Loans	**1**	Documentation of Collection Efforts After Default		
	2	Proposed Modification Agreements or Repayment Plans		
	3	Notice of Default and Acceleration		
	4	Notice of Assignment Sent to Credit Reporting Agency		
	5	Notice of Bankruptcy & Proof of Claim Filed in Bankruptcy Court with Assignment to USA		
	6	Proof of Claim Filed with Probate Court with Assignment to USA		

8. Remarks: To facilitate the processing of this claim, please explain any omissions or incomplete items.

9. Date	10. Name of Lending Institution	11. Signature & Title of Authorized Official

Title I Claim for Loss
(Part 2) Application Voucher

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1. Type of Loan ☐ Property Improvement ☐ Manufactured Home		9. Name (last known) Address, (for each borrower)	Social Security Number
2. Title I Case Number		Borrower Bankrupt? Yes ☐ No ☐ Borrower Deceased? Yes ☐ No ☐ Mail Returned from last address? Yes ☐ No ☐	
3. Contract Number (HUD Lender ID)			
4. First Installment Date (mm/dd/yyyy)	5. Date of Default * (mm/dd/yyyy)	Name (last known) Address, (for each borrower)	Social Security Number
6. Term of Loan	7. Amt. of each installment		
8. Number of Installments Made by Borrower		Borrower Bankrupt? Yes ☐ No ☐ Borrower Deceased? Yes ☐ No ☐ Mail Returned from last address? Yes ☐ No ☐	

			Applicant	HUD ONLY USE
	10.	Original Amount of Insured Loan		
	11.	Last Loan Balance		
	12.	Total Amount paid by Borrower (Principal = Interest =)		
Deductions	13.	Amounts Retained by Lender after Default (e.g. suspense payments, escrow balance)		
		a. Amounts Retained by Lender after Default (e.g., suspense payments, escrow balance)		
		Best Price Obtainable (MH Only)		
Additions	14	a. Repossession and Preservation Costs (MH Only)		
		b. Sales Commission (MH Only)		
		c. Uncollected Court Costs (Paid Directly to Courts)		
		d. Attorney's Fees (Not to Exceed $500 for PI $1,000 MH)		
		e. County Recording Costs (PI Only)		

*** Defined as 30 days after the due date of the first missed payment.**

Certification: The undersigned applies for the amount of insurance benefits due under its contract of insurance and the regulations issued in accordance with Title I of the National Housing Act for the loan identified above. In making this application for insurance benefits, the undersigned certifies that (a) the application is just and in accordance with the terms of the contract of insurance and the Title I regulations; (b) all information shown above is true and correct; (c) all expenses have actually been incurred and are reasonable and customary in the area where the property is located; (d) all repairs identified as repossession and preservation costs were necessary to protect and preserve the property while awaiting resale; and (e) all foreclosure or repossession activities have been carried out in full compliance with applicable State and local laws. Upon request, the undersigned will furnish the Department with an accounting of any receipts or disbursements included in the amounts shown above.

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802)

15. Name & Address of Lending Institution

16. Contact Inforamation (name of contact, telephone number, and email address)

17. Name & Title of Authorized Official (type or print) **Signature**	18. Date of Submission