
CHAPTER 2. RESPONSIBILITIES AND PROCEDURES

- 2-1 Office of Lender Activities and Land Sales Registration. Serves as staff to the Mortgagee Review Board. (See Handbook 1130.1 REV-4).
- A. Is the contact point within HUD for Headquarters and Field Offices on all matters concerning the Board.
 - B. Develops the agenda and policy issues for Board meetings.
 - C. Collects, analyzes, prepares and submits to the Board all data and exhibits together with options or recommendations as to administrative sanctions and/or the imposition of civil money penalties against HUD-FHA approved mortgagees and Title I lenders.
 - D. Coordinates Board activities with other HUD offices and government agencies.
 - E. Notifies mortgagees and Title I lenders of administrative sanctions and/or the imposition of civil money penalties by the Board.
 - F. Refers cases for Board consideration resulting from mortgagee and Title I lender on-site monitoring reviews.
 - G. Notifies mortgagees when sanctions and/or civil money penalties are being considered by the Board.
 - H. Keeps the official minutes of the Board and the case files on all Board actions.
 - I. Under a delegation of authority from the Board, identifies and withdraws approval of mortgagees and Title I lenders that fail to:
 - 1) Submit acceptable annual audited report of financial condition
 - 2) Meet HUD net worth requirements for continued approval, as reported by their CPA or IPA
 - 3) Pay required annual recertification fees
 - J. Negotiates settlement agreements with mortgagees and Title I lenders in conjunction with the Office of General Counsel.
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2-2 Office of Inspector General

- A. Refers mortgagees and Title I lenders for Board consideration as a result of audits or investigations.
- B. As requested by the Board, does audits or investigations of approved mortgagees and Title I lenders.

2-3 Office of General Counsel

- A. Assesses legal sufficiency of cases to be considered by the Board.
- B. Helps the Office of Lender Activities and Land Sales Registration prepare correspondence and notices about Board decisions.
- C. Provides assistance in settlement negotiations.
- D. Represents HUD in hearings requested by mortgagees and Title I lenders against whom the Board has acted.

2-4 Requests for Mortgagee Review Board Action. A Headquarters program office may refer a mortgagee or Title I lender to the Board for consideration of administrative sanctions and/or civil money penalties where there is adequate evidence of serious violations of HUD requirements. A HUD Field Office manager may do the same, after consulting the appropriate Headquarters program office.

- A. Any referral must be sent to the Director, Office of Lender Activities & Land Sales Registration.
- B. The referral must contain a written report which includes:
 - 1) a full factual background description of the violations
 - 2) specific citations of the Department's requirements that have been violated
 - 3) all available supporting documentation that evidences the violations

- C. If guidance is needed, contact the Office of Lender Activities & Land Sales Registration.
 - D. Individual consumer complaints are not appropriate for referral to the Board.
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