

Checklist for performing Loan Setup in HERMIT Servicing Module

Background: HECM Mortgagees are requested to enter the required data fields when manually performing loan setup or through B2G in HERMIT Servicing Module. Please note certain data fields cannot be edited by the HECM Mortgagee once loan setup is complete in Servicing Module. IACS system allowed for edits prior to case status of endorsed due to which several data change requests are being submitted by the mortgagees to HERMIT Help Desk. Mortgagees are requesting for corrections to the initial case loan information entered during loan setup.

Listed below is a checklist for HECM Mortgagees to verify the entry of data fields to ensure successful loan setup and remittance of the Initial Mortgage Insurance Premium (IMIP) and refund of late and interest charges, if any.

Data Field	Validation Criteria	Instructions
Servicer Banking Information – ABA Routing #	Prior to loan setup (Both manual and B2G)	<ul style="list-style-type: none"> Call HERMIT Help Desk to verify ABA Routing#, if unable to verify through screen.
Servicer Banking Information – Account #	Prior to loan setup (Both manual and B2G)	<ul style="list-style-type: none"> Call HERMIT Help Desk to verify Account#, if unable to verify through the screen.
Closing Date	During loan setup (Both manual and B2G)	<ul style="list-style-type: none"> Enter the loan closing date from the HUD-1 Closing documents.
IMIP Paid By Lender	During loan setup (Both manual and B2G)	<ul style="list-style-type: none"> Enter IMIP amount paid by the Lender on the loan. However, the total IMIP to be collected on the loan will remain the same.
IMIP Paid By Borrower	During loan setup (Both manual and B2G)	<ul style="list-style-type: none"> Enter IMIP amount paid by the Borrower on the loan. However, the total IMIP to be collected on the loan will remain the same.
Closing Costs	During loan setup (Both manual and B2G)	<ul style="list-style-type: none"> Enter closing costs incurred at the time of origination.
Discharge of Liens	During loan setup (Both manual and B2G)	<ul style="list-style-type: none"> Enter discharge of liens incurred at the time of origination.
Loan Advances/Other Draws	During loan setup (Both manual and B2G)	<ul style="list-style-type: none"> Enter Loan Advances/other draws taken at closing, if pay plan is Modified Tenure or Modified Term or LOC at the time of origination.
Loan Origination	During loan setup (Both manual and B2G)	<ul style="list-style-type: none"> Enter origination fee charged by Lender.
Other	During loan setup (Both manual and B2G)	<ul style="list-style-type: none"> All other applicable and required data fields in Loan Setup page.

Set-Asides (Repair Set Aside, First Year Set Aside)	During loan setup (Both manual and B2G)	<ul style="list-style-type: none"> • Enter amount of set-aside.
Repair Admin Fee	During loan setup (Both manual and B2G)	<ul style="list-style-type: none"> • Enter Repair Admin Fee, if any.
Servicer Banking Information – ABA Routing #	After loan setup (Both manual and B2G)	<ul style="list-style-type: none"> • Verify and update ABA Routing# in Servicer Info screen -> Servicer Information, if needed.
Servicer Banking Information – Account #	After loan setup (Both manual and B2G)	<ul style="list-style-type: none"> • Verify and update Account # in Servicer Info screen -> Servicer Information, if needed.
Servicer Banking Information – Confirm Account #	After loan setup (Both manual and B2G)	<ul style="list-style-type: none"> • Verify and update Confirm Account# in Servicer Info screen, if needed.
Servicer Tax ID#	After loan setup (Both manual and B2G)	<ul style="list-style-type: none"> • Contact HERMIT Help Desk to verify availability of Tax ID #. This will allow processing of refund requests for late charges and interest, if any.
Refund Request Reason	During and After loan setup (Manual setup)	<ul style="list-style-type: none"> • Do not select the refund reason 'IACS was not operational'. It will not be considered as valid reason. • Do not select the refund reason 'System Access'. It will not be considered as valid reason. • Other below existing refund reasons are valid. <ul style="list-style-type: none"> -Penalty Adjustment -Other Reasons approved by HUD -Invalid Max Claim Amt -Case Termination but case not endorsed -CHUMS data feed corrections -Issue with setting up user account -Closure of Federal Government -Natural Disaster • Enter Refund Comments • Refund requests can be initiated 180 days from the date when loan was initially established for remittance of IMIP.
Refund Comments	During and After Loan Setup (Manual setup)	<ul style="list-style-type: none"> • If Refund Reason is selected for refund of late charges and interest, if any enter the Refund Comments for clarification for all requests. <p>Example: If Refund Reason selected was "CHUMS data feed corrections" enter</p>

		refund comments providing description of the issue and HERMIT Help Desk Ticket#.
Historical Pre- D & P Property Charges (manually and/or B2G)	After loan setup and endorsement of case	<ul style="list-style-type: none"> FHA has extended the current 6 month grace period by 2 months. With this extension, HECM Mortgagees must enter historical property charges pre D&P transactions (effective date prior to 10/9/2012) through 06/09/2013 in HERMIT system to AVOID incurring of late charges and interest. This extension is applicable for historical property charges pre D&P transactions entered manually or through B2G functionality.
Other Data Corrections	After loan setup and endorsement of loan	<ul style="list-style-type: none"> Request(s) shall not be directed to FHA Staff but via email to HERMIT Help Desk at support@hecmsp.com

Please ensure the below Investor Banking information is available for Investor when loan setup is performed both manual and through B2G functionality:

Data Field	Instructions
Investor/Holding Mortgagee Banking Information – ABA Routing #	<ul style="list-style-type: none"> Contact HERMIT Help Desk to verify availability of ABA Routing# for the Investor Mortgagee ID. If unavailable, request Investor to contact HERMIT Help Desk and provide the information.
Investor/Holding Mortgagee Banking Information – Account #	<ul style="list-style-type: none"> Contact HERMIT Help Desk to verify availability of Account# for the Investor Mortgagee ID. If unavailable, request Investor to contact HERMIT Help Desk and provide the information.
Investor Tax ID#	<ul style="list-style-type: none"> Contact HERMIT Help Desk to verify availability of Tax ID# for the Investor Mortgagee ID. If unavailable, request Investor to contact HERMIT Help Desk and provide the information.

Note:

- For successful remittance of Initial Mortgage Insurance Premium (IMIP) or Monthly Mortgage Insurance Premium (MMIP) from the HECM Mortgagee Bank Account, the mortgagee must ensure no debit block exists on the account.
- Mortgagees must continue to monitor for failed batch collections on a daily basis. Please see below link for retry of failed IMIP/MMIP batches in HERMIT:
http://portal.hud.gov/hudportal/documents/huddoc?id=hermit_retry_batches.pdf
- HERMIT system continues to allow HECM Mortgagees to perform Loan Setup and automatically links the Lender with the Servicer and Investor on the loan. Please see below link for “HERMIT

Lender Links Solution”

http://portal.hud.gov/hudportal/documents/huddoc?id=HECM_HERMIT_links.pdf

and section 2.2 in HERMIT System Changes – Release 3.5 “Investor Links”

http://portal.hud.gov/hudportal/documents/huddoc?id=hermit_change_release_3_5.pdf

Disclaimer: Please note, this checklist is intended for guidance purposes only and set forth by the HECM BSP. Any references from the standpoint of FHA policy guidance of aforementioned content and recommendations user navigation for HECM system shall be directed to FHA.

Please refer to the HERMIT User Guide for detailed instructions on performing loan setup:

http://portal.hud.gov/hudportal/documents/huddoc?id=hecm_hermit_ug_ch4.pdf

Please contact HERMIT Help Desk through email (support@hecmsp.com) or by phone (561-899-2610), if you have further questions.