Home Equity Conversion Mortgage

Service Provider (HECM SP)

HERMIT User Guide – Part 1

Servicing Module

Version 2.12

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CHAPTER 1: SYSTEM OVERVIEW

1. SYSTEM OVERVIEW

This chapter is an introduction to the HERMIT Servicing Module:

- **Program Overview**
- **HERMIT Modules and Functionalities**
- **HECM-Key Business Process Flow (Simplified)**
- **System Functionality Overview**

1.1 Program Overview

The Home Equity Conversion Mortgage (HECM) program was introduced to enable eligible borrowers (those who are at least 62 years old) to convert their home equity into cash assisting the borrowers to meet their individual needs without requiring to repay the loan, as long as the borrower resides in the mortgaged home and keep up the obligations of the mortgage. To increase the liquidity of these loans and to protect the lenders from incurring losses due to non-repayment, the Federal Housing Administration (FHA) provides mortgage insurance to private lenders.

This application provides an end-to-end solution (origination to disposition) on the HECM Case processing activities and assists FHA in efficiently managing the HECM portfolio.

1.1.1 About the System

HUD's Home Equity Reverse Mortgage Information Technology (HERMIT) application is the centerpiece of a newly designed and streamlined business service that manages and tracks the loans in HUD's Mutual Mortgage Insurance (MMI) fund. HERMIT consists of a Servicing Module, and an Accounting Module to track loans, calculate and record associated financial transactions. This user guide is focused on the Servicing Module only. The Accounting Module has a separate user guide for the HUD Accounting General Ledger Division (GLD) staff.

1.1.2 Background

The HERMIT Servicing Module is built on a Commercial Off-The-Shelf (COTS) product. The HERMIT Servicing Module:

- Manages servicing activities throughout the loan lifecycle
- Accurately manages HECM Cases by case status and sub-status
- Calculates and collects Mortgage Insurance Premiums (MIP)
- Manages HUD-assigned Notes
- Supports management/budgetary reporting
- Supports monthly loan balance reconciliations
- Supports repair administration
- Calculates Claims payments
- Terminates insurance for a loan

These and other functions will be explained in detail within this User Guide.

1.1.3 About this User Guide

This document is a business service guide which provides instructions on the use of the HERMIT system's Servicing Module and is not intended to establish or disseminate HUD program policy.

1.2 HERMIT Modules and Functionalities

As mentioned earlier, HERMIT has two modules, and key functionalities of each are listed below.

- The Servicing Module includes the following major components:
    - Loan Setup/Premiums Collection
    - General Servicing activities for Insurance-In-Force cases and Assigned loans
    - Claims processing
- The Accounting Module includes the following major components:
    - Recording the general ledger impact of financial transactions originating in the Servicing Module, payoffs and reporting

Both modules are tightly coupled together and exchange data pertaining to receivables and collections; and payables and disbursements on a daily basis. They are interfaced with key legacy systems such as Computerized Home Underwriting Management System (CHUMS) for loan setup, Treasury (Pay.gov) for collections and disbursements, and FHA Subsidiary Ledger (FHASL) for the recording of General Ledger (GL) entries amongst other systems.

In the below sections, the constituents of the two modules are briefly explained.

1.2.1 Loan Setup/Premiums Collection

The Servicing Module exchanges data with CHUMS to receive and process HECM Cases. The system allows lenders/servicers to perform loan setup that will trigger collection of IMIP and refunds, where applicable. The high-level functions within this component are:

- The system receives the case details from CHUMS daily into the module
- Loan setup functions are performed by the user prior to the collection of the Initial Mortgage Insurance Premiums (IMIP)
- Information is exchanged for the collection of IMIP via Pay.gov with Accounting
- Notifications are sent to CHUMS that IMIP has been collected
- CHUMS completes the endorsement process and sends the endorsed case to the Servicing Module
- Refunds of MIP and IMIP can also be performed in the application, which is explained in detail within the guide

Each of these functions is explained in detail in Chapter 4.

1.2.2 General Servicing Activities for Insurance-in-Force Cases (Endorsed Loans) and Assigned Loans

The Servicing Module allows lenders/servicers (for insurance-in-force loans) and HUD (for assigned loans) to perform general servicing (example: MIP collections, monthly accruals, unscheduled disbursements, scheduled disbursements) until the disposition of the loan. Timelines within the system allows for tracking of key business events. The high-level functions within this component are:

- Transactions:
    - The system allows the user to enter amounts for items as unscheduled disbursements, corporate advances, payoffs, refunds and other types of transactions. Monthly accrual transactions are also tracked here.
- Track compliance:
    - The system allows the user to track the compliance of occupancy, hazard and flood insurance, delinquent taxes, among other events. They are tracked through timelines within the system.
- Track due and payable events:
    - The system allows the user to track several due and payable events, such as death of the borrower and default. They are tracked through timelines within the system.
- Track loss mitigation and disposition options:
    - The system allows the user to track several loss mitigation and disposition events such as family sale pending, short sale, deed-in-lieu, and pre-foreclosure. They are tracked through timelines within the system.
- Terminations (Non-Claims):
    - The system allows the user to terminate a loan through reasons other than Claims such as a refinance, write-off, borrower moved, and borrower paid.
- Track release:
    - To release the mortgage and automatically initiate release timeline, a termination transaction for payoff must be initiated in the system. The release process is managed through a timeline in the system.
- Track reassignments:
    - In cases of a discrepancy such as a title issue, non-payment of property charges, non-occupancy or any activity that could have prevented the loan from being assigned to HUD, a HUD National Servicing Center (NSC) Contractor initiates a timeline in the system and notifies the servicer of the title defect or mortgage default.

Each of these functions is explained in detail in Chapters 5, 6, and 7.

1.2.3 Claims Processing

The Servicing Module allows servicers to electronically submit a claim on behalf of lenders/investors. Additionally, the HUD Claims staff can review and manage claims processing in the Servicing Module. The high level functions within this component are:

- Claims submission:
    - Claim Type (CT) 21 (**Deed-In-Lieu/Foreclosure**): The system allows for the submission of a sale-based or appraisal-based Claim Type 21 due to acquisition of title of the property through Foreclosure or Deed-in-Lieu proceedings. The system allows for the automated submission of a CT 21 that will be approved by the Claims Branch. This is managed through a timeline in the system.
    - Claim Type 22 (**Assignment**): The system allows for the submission of a CT 22 assignment. The loan will be assigned to HUD when it reaches the threshold percentage (as established by HUD) of the maximum claim amount. This is managed through a timeline in the system.

  - Claim Type 23 (**Short Sale**): The system allows for the submission of a CT 23 due to a short sale. The system allows for the automated submission of a CT 23 that will be approved by the Claims Branch. This is managed through a timeline in the system.
  - Claim Type 24 (**HECM Supplemental**): The system allows for the submission of a CT 24 Supplemental. This claim type is filed for reimbursement of expenses that are not covered on the original claim.
- Review and process claims:
  - Once a claim is submitted, the HUD Claims staff can use the Endorsed Claims search screen to review and process Claims. Only the authorized user with the proper permissions will be able to review and update a Claim's status.
- Terminations (Claims):
  - The case status is updated to Terminated after the claim payment confirmation is received from the Accounting Module (Claim is submitted by a servicer and approved by HUD Claims staff).
- Track release:
  - To release the mortgage, a release timeline is automatically initiated in the system upon claim payment confirmation. The release process is managed through a timeline in the system.

Each of these functions is explained in detail in **Chapter 8**.

1.2.4 Accounting Module

The Accounting Module records and processes accounting related transactions within the functional modules like GL, Receivables, Payables, reporting, and data exchange with FHASL and Treasury.

The high-level components within this module are:

- Record GL entries and maintain all HECM-related proprietary and budgetary general ledger account balances.
- Data exchange with the Servicing Module to establish vendors/customers; and to provide interface transactions and related response, error, and status files for accounts payable, accounts receivable, and adjustment transactions (Premiums, Notes, and Claims).
- Data exchange with Treasury Secure Payment System (SPS) and Pay.gov to process disbursements of accounts payable and the collection of accounts receivable, respectively (Premiums and Claims).
- Update FHASL with accounting entries.
- Financial Reports.

1.2.5 Data Exchange with External Systems

HERMIT receives/sends transactions, data and status with key external systems. Their primary purpose, the frequency and the direction (Outbound from/Inbound to HERMIT), is listed below.

- CHUMS (Computerized Homes Underwriting Management System) (Bi-directional daily)
  - Assists and supports Home Ownership Centers (HOCs) staff in the processing of Single Family mortgage insurance applications, from initial receipt through endorsement.
- SFHEDW (Single-Family Housing Enterprise Data Warehouse) (Outbound monthly)

  - Allows queries and provides reporting tools to support HUD's business needs. The HERMIT Servicing Module will send monthly files containing the Claim, Lender and Case Details along with payment plan information and transactions.
- SAMS (Single-Family Acquired Asset Management System) (Outbound monthly)
  - Tracks property acquisition, maintenance and disposition, as well as processes collections, disbursements, and tax payments.
- Ginnie Mae - RFS (Reporting and Feedback System) (Outbound monthly)
  - The central processing system for monthly reporting of pool and loan level data from issuers of mortgage-backed securities.
- REKON (Release of Liens) (Bi-directional daily)
  - Mortgage releases are initiated by the HUD NSC Contractor in the Servicing Module and transmitted for execution within the release of liens software.
- FARETS (Track Delinquent Tax Activity) (Bi-directional weekly)
  - Enables the HUD NSC Contractor to monitor taxes on the assigned and endorsed loans that have completed CT 22-Preliminary Title Approval step.
- BANKO (Bankruptcy and Deceased Information)
  - Enables the HUD NSC Contractor to review information about bankruptcy cases and deceased debtors. The service consolidates and updates bankruptcy cases and death records from all 50 states, the District of Columbia, the U.S. Virgin Islands, Guam, and Puerto Rico daily. It supplies timely, accurate, and complete bankruptcy and death information.
- Imaging (Inbound daily)
  - Allows importation of documents from the HUD NSC Contractor so that the documents can be attached to loans using a predefined naming convention.
- Pay.gov (Bi-directional Daily)
  - Processes collection request files in Pay.gov non-interactive batch format. Receives notification of successful posting by Pay.gov.
- SPS (Bi-directional Daily)
  - Generates disbursement schedule files in Treasury Secure Payment System format for premium refunds and claim payments.
- FHASL (Outbound Daily)
  - The HERMIT system provides aggregated disbursement and collection activity each business day using the FHASL journal import process. HERMIT will store case-level accounting details which, prior to interfacing with FHASL, will be summarized at the unique level of chart field structure and entry events.

1.3 HECM-Key Business Process Flow (Simplified)

The business process flow documented below shows the lifecycle of a HECM Case.

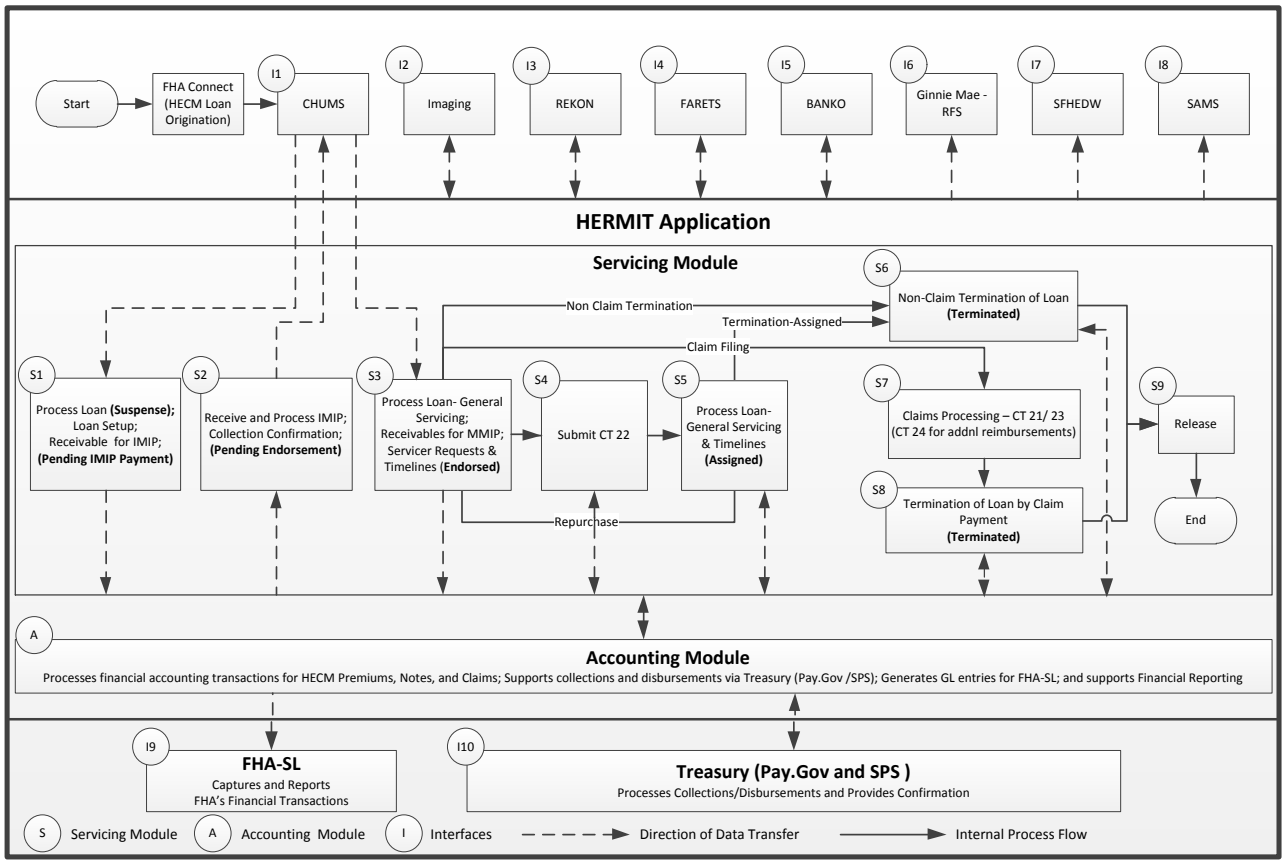


Figure 1-1: Business Process Flow

The boxes labeled I1 to I10 are the interfaces for the Servicing and Accounting Modules. They exchange relevant data and statuses during the loan life cycle to provide the up to date loan status and details.

Details about the process are provided below, starting from top left side:

- **S1:** New loan information is received from CHUMS. The Servicing Module then validates IMIP, Maximum Claim Amount (MCA), and principal limit calculations. It enables lenders/servicers to perform loan setup.
- **S2:** Processes collection of the IMIP due through the Accounting Module and sends a confirmation to CHUMS that collection was successful. The loan is now eligible for endorsement.
    - **A:** The Accounting Module generates payable transactions for refunds (if applicable) and collection transactions for IMIP and sends them to Treasury/Pay.gov. Upon confirmation of disbursements/collections, the status gets sent to the Servicing Module. It then updates the payment status for the transactions.
- **S3:** Calculates payment schedules and related MMIP based on the loan parameters upon confirmation of endorsement from CHUMS. It records all servicing transactions that impact the unpaid loan balance, including Line Of Credit (LOC) withdrawals, scheduled payments, special assessments, set-aside amounts, and other payments on behalf of the borrower. The recorded

transactions are sent to the Accounting Module for payments/collections. Servicer requests also occur here (example: Extensions, Due and Payable, Preservation and Protection).

- **S4:** For Claims submission, it calculates the claim amount and sends the payables (Assignment) transactions to the Accounting Module.
- **S5:** For Assignments, it records all servicing transactions that impact the unpaid loan balance, including LOC withdrawals, scheduled payments, set-aside amounts, and other payments on behalf of the borrower. These transactions are sent to the Accounting Module. For Claims submission, the Servicing Module calculates the claim amount and sends the receivables (Repurchase) transactions to the Accounting Module.
    - **A:** The Accounting Module generates payable and receivable transactions for general servicing transactions (Insurance In Force and Assigned) and sends them to Treasury/Pay.gov. Upon confirmation of disbursements/collections, the status gets sent to the Servicing Module. It then updates the payment status for the transactions.
- **S6:** In the event of non-claim termination activities for endorsed loans, it updates the case status, case sub-status, and loan balance.
- **S7:** For Claims submission, it calculates the claim amount and sends the payables (Foreclosure/Deed-in-Lieu, Short Sale, and Supplemental) and receivables (Repurchase) transactions to the Accounting Module.
    - **A:** It generates transactions for payables and receivables and sends them to Treasury/Pay.gov. Upon confirmation of disbursements/collections, the status gets sent to the Servicing Module. It then updates the payment status for the transactions.
- **S8:** For termination activities (for example: payoff or Foreclosure/Deed-In- Lieu Conveyed) for Assigned loans, Servicing Module calculates the pay-off amount, sends the transactions to the Accounting Module, updates the case status, case sub-status, and loan balance.
    - **A:** The Accounting Module generates notes transactions for collections and sends them to FHASL.
- **S9:** The Servicing Modules allows release of liens as needed. Release are initiated by the HUD NSC Contractor in the Servicing Module and transmitted for execution within the release of liens software.

1.4 System Functionality Overview

1.4.1 Desktop/System Requirements

To effectively use the HERMIT Servicing Module, a Personal Computer that is web-enabled with Internet Explorer version 7 or later, Windows XP operating system, and a minimum of broadband-speed connectivity to the Internet are required. Microsoft Excel or an Excel Viewer and an Adobe Acrobat Reader are also required. To get the free Acrobat Reader, which enables viewing of PDF files, go to **http://get.adobe.com/reader/.**

To get a free Microsoft Excel viewer, which enables viewing of spreadsheets as read-only files, go to **http://www.microsoft.com/download/en/confirmation.aspx?id=10.**

1.4.2 Recommended Browser Settings

The following browser settings must be enabled to the view the PDF documents:

Step 1. Click **Internet Options** from the browser menu.

Step 2. On the **Internet Options** window, select **Security** tab.

Step 3. Select **Custom Level** button on the **Security** tab. This opens **Security Settings – Internet Zone** window.

Step 4. On this window, under **Downloads** section enable the following fields:

- Automatic prompting for file downloads
- File download
- Font download

Step 5. Click **OK** to save the changes or click **Cancel** to exit without saving the changes.

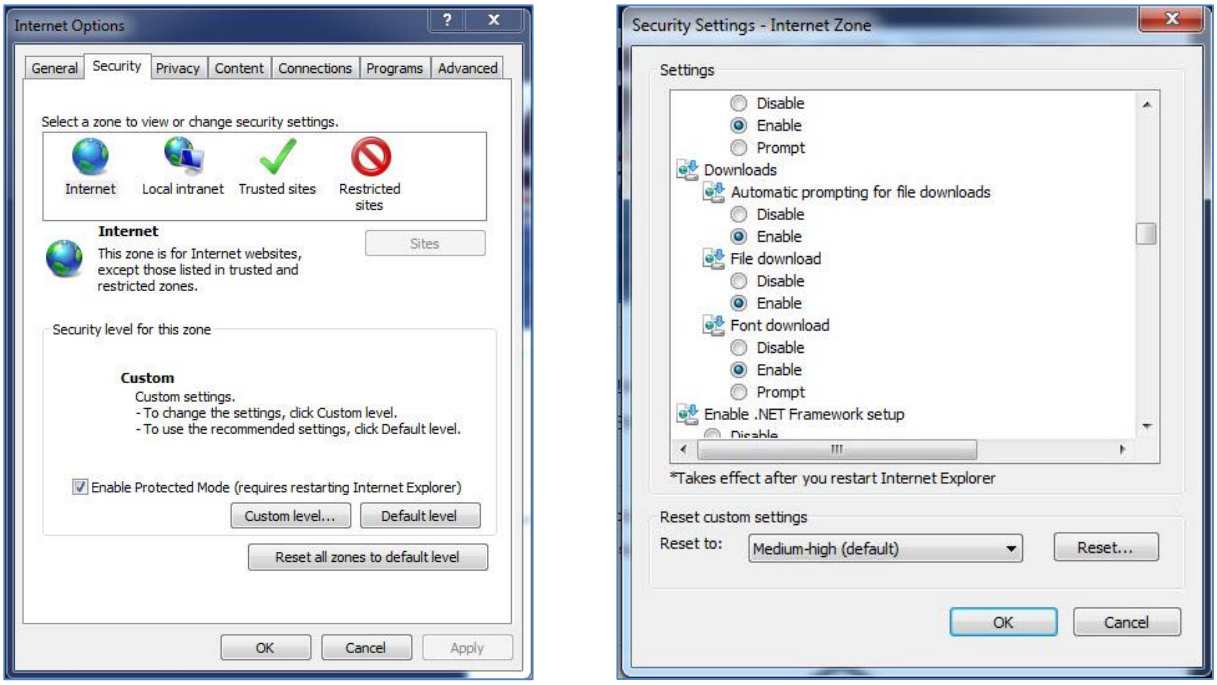


Figure 1-2: Browser Settings

1.4.3 Security

Access to the Servicing Module is governed by user roles and permissions provided during user registration. A variety of personnel use HERMIT, and while many job functions overlap, users are restricted to only the functions that their job requires. Your login credentials govern the activities you can perform in HERMIT. Your supervisor will approve the user form that contains your user role. The next chapter will guide you to the content described in this document that are most relevant to the tasks you perform including the user form and related process.

CHAPTER 2: GETTING STARTED

2. GETTING STARTED

This chapter will provide users with an overview of the following functions:

- **Getting Help**
- **Requesting Access to HERMIT**
- **Logging in to HERMIT**
- **Navigating HERMIT**

2.1 Getting Help

2.1.1 Contacting the HERMIT Help Desk

The HERMIT Help Desk is the user's 'single point of contact' for any issues related to the application during the normal working hours from 8am to 6pm Eastern Time (Monday to Friday). They can be contacted via email or phone. The Help Desk follows the Federal Holiday calendar.

To reach the HERMIT Servicing Module Help Desk directly, please send an email to servicingsupport@hermitsp.com or call the HERMIT Servicing Module Help Desk number at 561-899-2610. The caller will receive automated voice commands to speak with a live HERMIT agent. The emails will go directly to the Help Desk and will be responded as per the established protocols. Please provide specific information about the issue to help expedite the resolution. Along with it, please provide the details below:

- First and last name
- Email address and contact number
- Specific details of the problem including the loan skey or FHA case #, and the user role

The Servicing Module Help Desk will log the user's issue and provide a ticket number for future reference. The ticket will be closed when the issue is resolved to a user's satisfaction. The HERMIT Servicing Module Help Desk will log issues for the Servicing Module. Discussed in detail below are the instructions on requesting access to the HERMIT system, logging in, and ways to navigate the application.

To reach the HERMIT Accounting Module Help Desk directly, please send an email to accountingsupport@hermitsp.com or call the HERMIT Accounting Module Help Desk number at 844-765-9427.

2.2 Requesting Access to HERMIT

New users must request access to HERMIT by completing the Applicant Access Request (AAR) form and submitting it to the Help Desk via email. It is used to collect information about the user to determine which functions they need to access in the system. One form is for HUD staff and contractors, and the other form is for HUD Business partners. One of the following forms is required to be submitted, per user:

- FHA Staff and Contractor P271 HERMIT AAR Form
- FHA Business Partners P271 HERMIT AAR Form (Lenders, Servicers and Investors)

The forms will be provided by HUD. Please follow the process below to obtain access to the HERMIT Servicing Module:

User instructions to submit the AAR form:

Step 1. **Obtain P271 AAR form from HUD.**

Step 2. **Non HUD Requestor:** Please complete and sign the form, get supervisor signature and email the P271 AAR form to servicingsupport@hermitsp.com.

Step 3. **HUD Requestor:** Please complete and sign the form, submit the form to your supervisor, if approved, your supervisor will email the P271 AAR form to servicingsupport@hermitsp.com.

Step 4. A ticket will be opened and sent to the Non HUD requestor by Help Desk.

Step 5. The ticket will be sent by the Help Desk to the HUD Government Technical Monitor (GTM) responsible for the business area of the HUD requestor (via an approved list).

Step 6. The HUD GTM will review the access request and send the approval or denial. They can request for additional information from the HERMIT Help Desk.

Step 7. The Help Desk will notify the requestor (both cases) if the request was approved or denied, or if additional information is needed.

Step 8. If the AAR form is approved, requestor will receive a user ID and password through two separate emails.

Step 9. If the AAR is denied, requestor will receive notification about the reason for denial.

Step 10. If the AAR needs additional information to be added, requestor will be notified to submit a new AAR form. You will then need to follow instructions starting from step two or three.

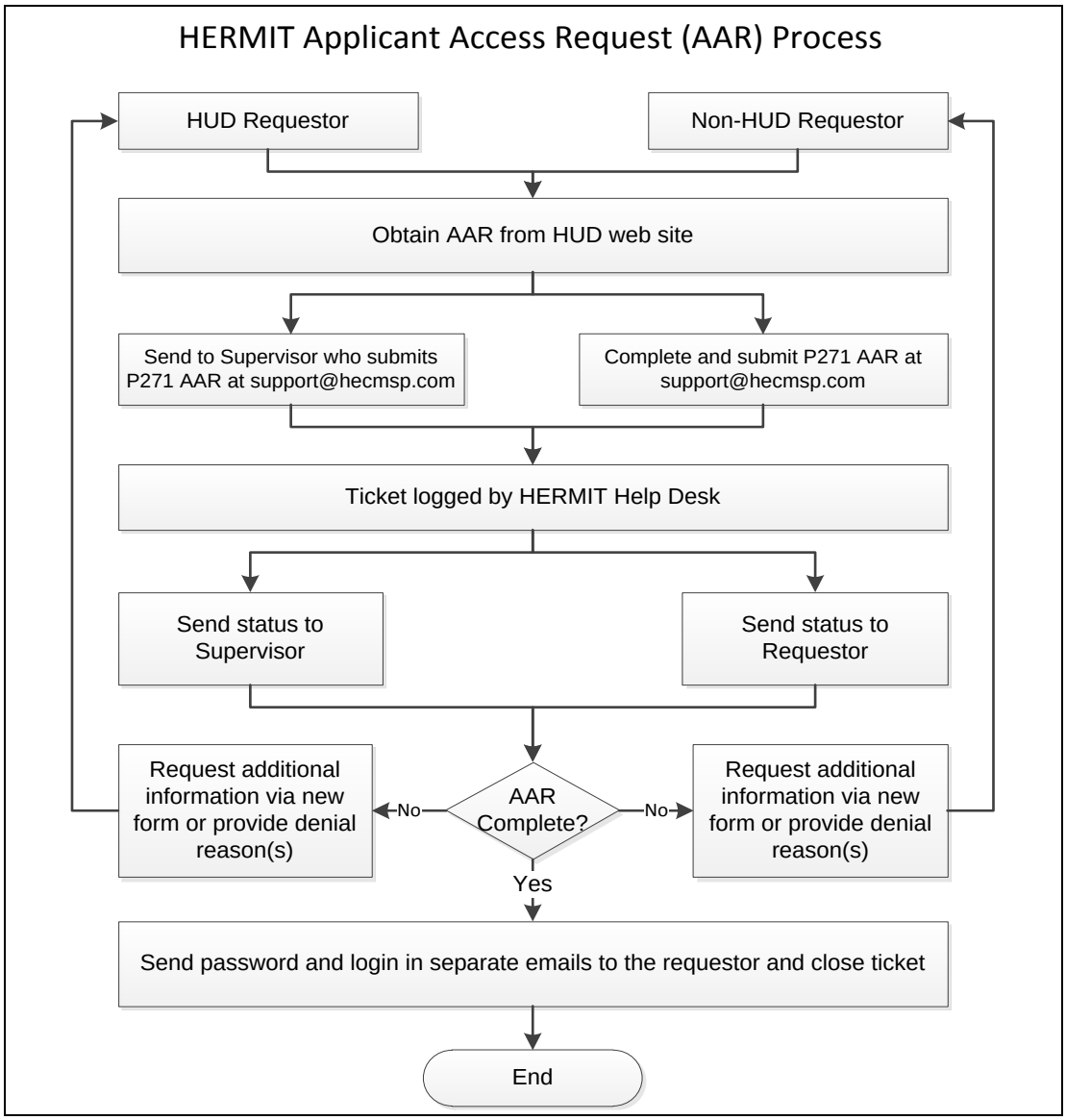


Figure 2-1: Process for Requesting Access to HERMIT

2.3 Log in to HERMIT

Upon receipt of login and password information from the Help Desk, please follow the instructions below to log into HERMIT:

Step 1. In the address bar of your browser, enter www.hermitsp.com.

Step 2. The HERMIT Servicing Module **login** screen is displayed. On the **login** screen, type your user name and password.

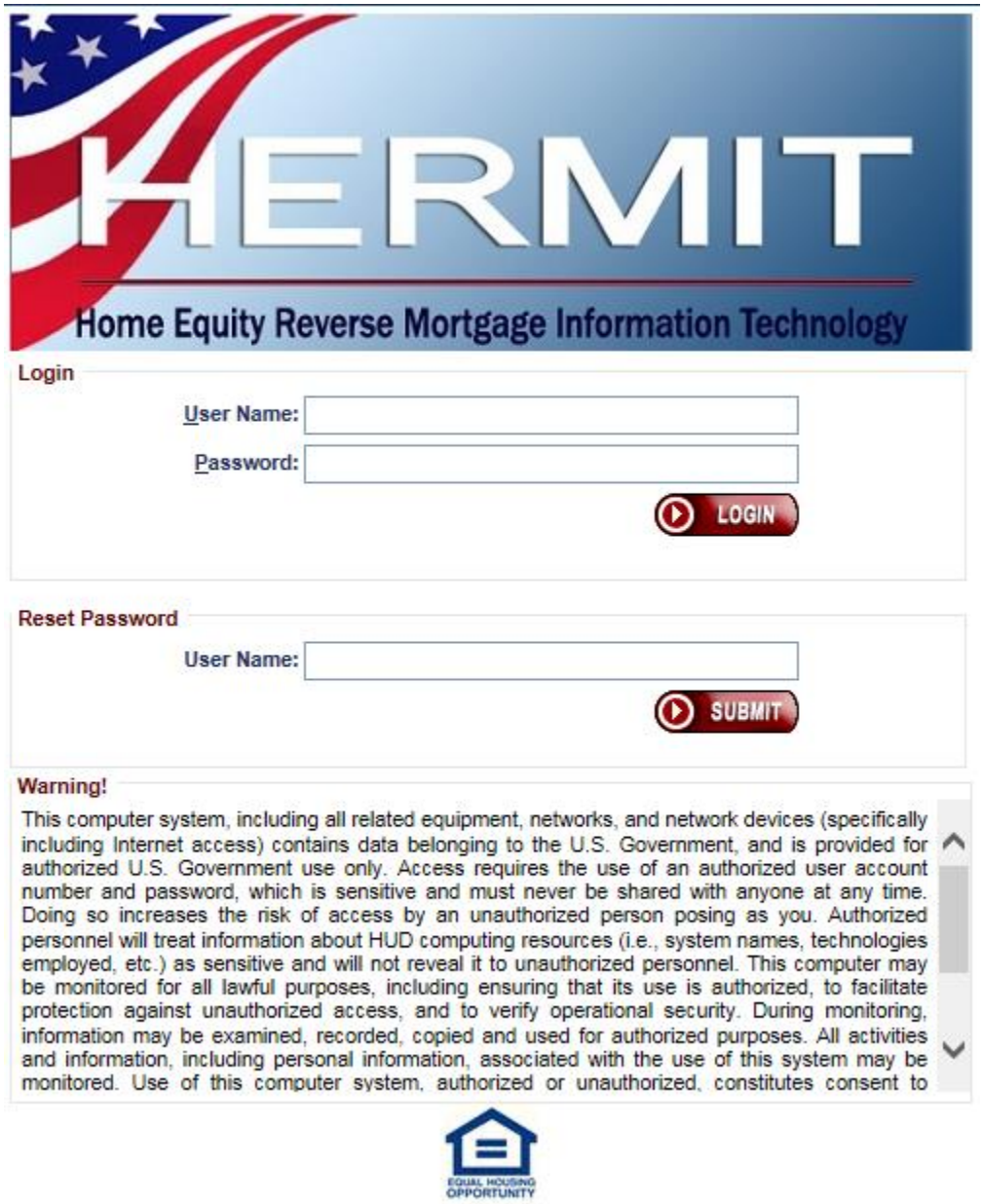


Figure 2-2: Login Screen

Step 3. Click **Login**. The HERMIT Servicing Module **Home** screen is displayed.

2.4 Navigating HERMIT

2.4.1 Home Screen

After you have logged in, the user will be on the default home screen as shown below.

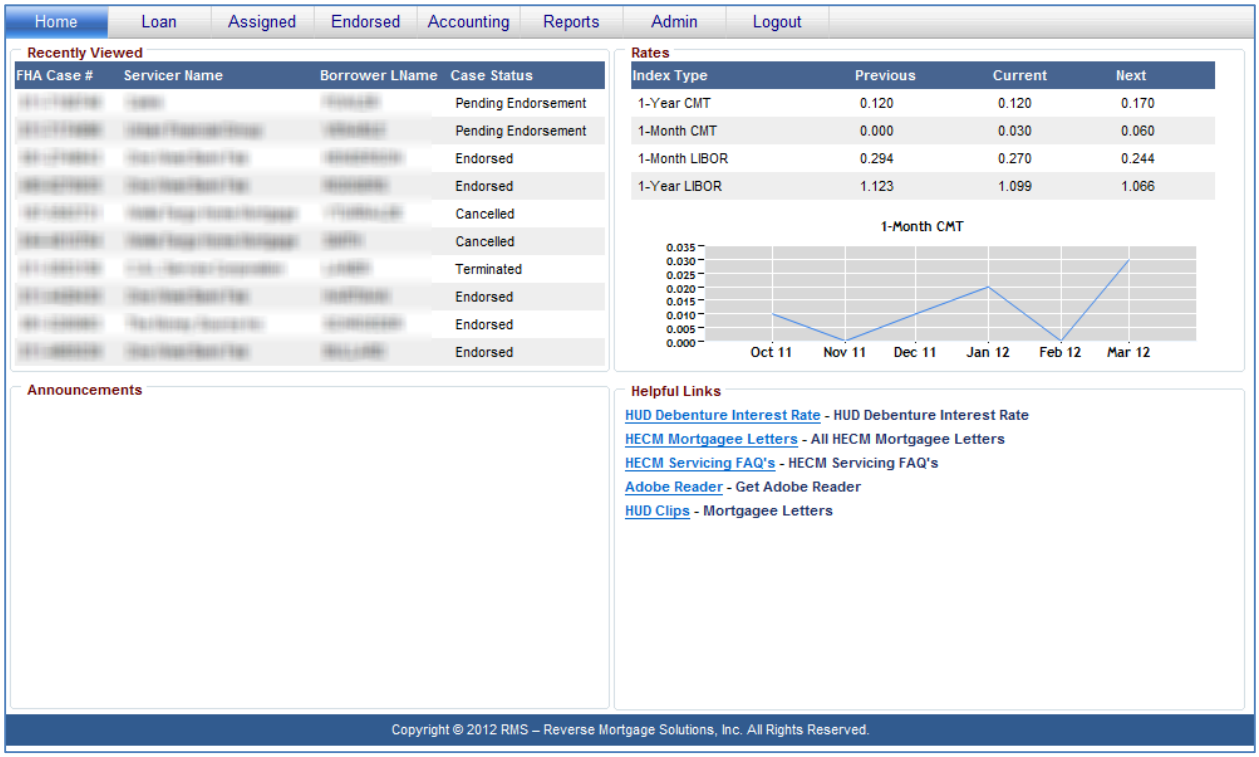


Figure 2-3: The Home Screen

On the home screen, there are several features which are explained in the table below. The screen is divided into sections which provide a quick overview of the most used functionalities.

Home Screen Section	Description
Recently viewed (Top left)	A list of the last 10 FHA Cases that have been viewed by the user including servicer name, borrower name and the status of the loan.
Rates (Top right)	Lists previous, current, and next rates for certain index types along with a graph to show the trend.
Announcements (Bottom left)	Information about the HECM program or the application about key events.
Helpful Links (Bottom right)	Internal or external links to HUD policy and related information helpful to the user. Once a user clicks on a link, the site will be opened in a new browser.

Table 2-1: Description of the Home Screen Sections

2.4.2 Constructing a Basic Search

Servicing Module users can query, review, and edit information at a detailed level for loans later in this user guide, instructions are provided on how to search for and setup specific types of loans in

the application. This section provides tips to search for an individual loan and navigate Loan Search results.

When the search screen is first displayed, several fields will display "ALL" to allow the user to search for 'All Loans'. The user can enter or select different criteria to narrow the search results. Once a search is completed the results are displayed in the Search Results screen.

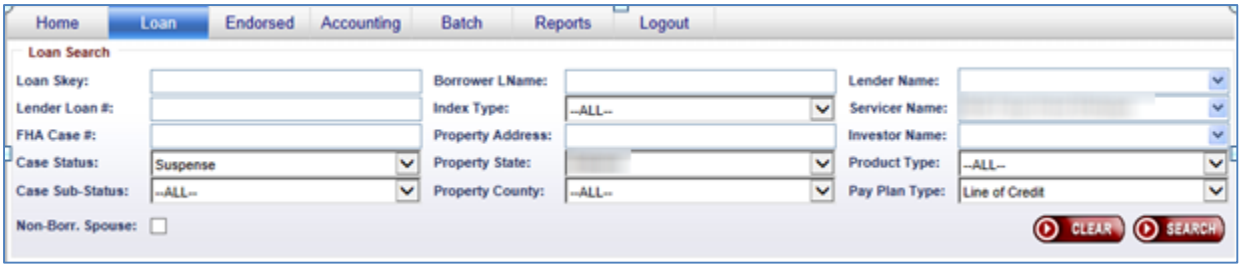


Figure 2-4: Loan Search Screen

2.4.2.1 Search Criteria

To retrieve loans, the user can setup a search using different combinations. In general:

- Entering additional search criteria will retrieve more specific search results, but fewer loan records and vice versa.
- For single record user can search via full or partial numbers. Partial will provide numerous records.
    - Lender Loan #
    - FHA case #
    - Loan Skey
- Search can be done via partial entry to return results (no need to enter a *):
    - Borrower LName
    - Property address
- To retrieve loans with Non-Borrowing Spouse data, the user can setup a search using different combinations and select the Non-Borr. Spouse indicator on the bottom left of the Loan Search screen.
- To retrieve loans in Deferred status, the user can check the Yes/No box to filter loans with appropriate results.

Basic search criteria on the Loan Search screen are Lender Loan #, FHA Case # and/or Case Status.

2.4.3 Searching for a Loan

User can build a search using the criteria below

2.4.3.1 Loan Search Criteria

Field	Description
Loan Skey	The Servicing Module system identification number unique to each loan.
Lender Loan #	Recorded identification number for each loan property (Enter a partial loan number, if the complete number is not known).
FHA Case #	FHA case number of the loan (Enter a partial FHA Case #, if the complete number is not known).

Field	Description
Case Status	Current high-level status of the loan, either suspense, pending IMIP payment, pending endorsement, endorsed, assigned, cancelled, or terminated.
Case Sub-Status	Detailed case sub-status of the loan.
Borrower LName	Last name of the borrower (Enter a partial name if the complete name is not known).
Index Type	Organization and type of interest rate based on the interest rates at which banks borrow unsecured funds from other, either 1 month-CMT, 1 month – LIBOR, 1 Yr CMT, 1 Yr LIBOR, No Index.
Property Address	Address of the loan property (Enter a partial address, if the complete address is not known).
Property State	State where the loan property is located.
Property County	The county where the mortgaged property is located.
Lender Name	Name of the company of record servicing the loan record.
Servicer Name	Name of the company of record servicing the loan record.
Investor Name	Name of the mortgage lender that owns/finances the loan record name.
Product type	HECM, HECM for Purchase, HECM – Refinance, HECM Standard, HECM Standard for Purchase, HECM Standard – Refinance, HECM Saver, HECM Saver for Purchase, HECM Saver – Refinance.
Pay plan type	The payment plan type chosen by the borrower, either line of credit, lump sum, modified tenure, modified term, tenure, or term.
Non-Borr. Spouse	Indicator to retrieve loans with Non Borrowing Spouse.
Deferred Status	Indicator to filter loans with or without deferred status for Non-Borrowing Spouses.

Table 2-2: Loan Search Criteria

2.4.3.2 Writing Search Criteria

To search for a loan:

Step 1. Select the loan tab on the **Home** screen.

Step 2. On the **loan search** screen, enter single or multiple search criteria, typically by selecting the criteria from various dropdown boxes. In general, the more criteria the user selects, the fewer results will be returned from the query. In the example below, we have selected a Case Status of '**Suspense**', a property state of Alabama and a pay plan type of Line of Credit (LOC). This will narrow the search to only the loans that match the criteria.

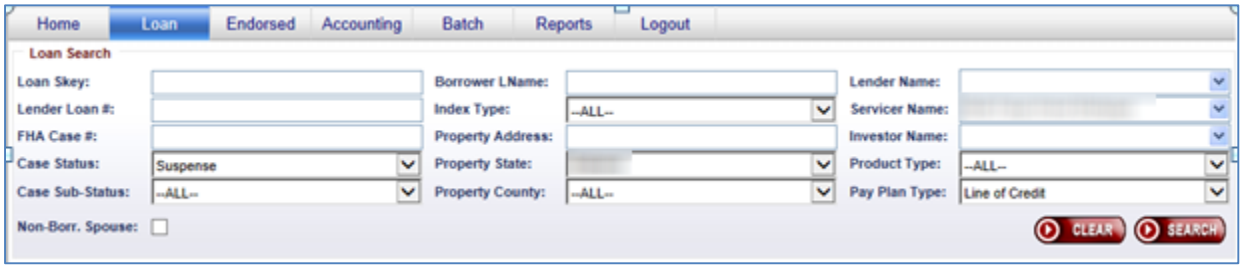


Figure 2-5: Building a Search

Step 3. Click **Search** and the results will be displayed.

Step 4. Click the **Clear** button to remove the previously entered search criteria and re-enter the new search criteria, if needed.

2.4.4 Navigating Search Results

In the search results table, each loan that meets the criteria of the search is displayed in a single row (called a table record), and there are 10 of these rows – or records – per page. The total number of records is shown in the bottom right of the screen (405). When the user clicks on a loan, the **Loan Balance** screen will be displayed for all loans except **Suspense** loans. For **Suspense** loans, the **Loan Setup** screen will be displayed. Only one loan can be selected at a time.

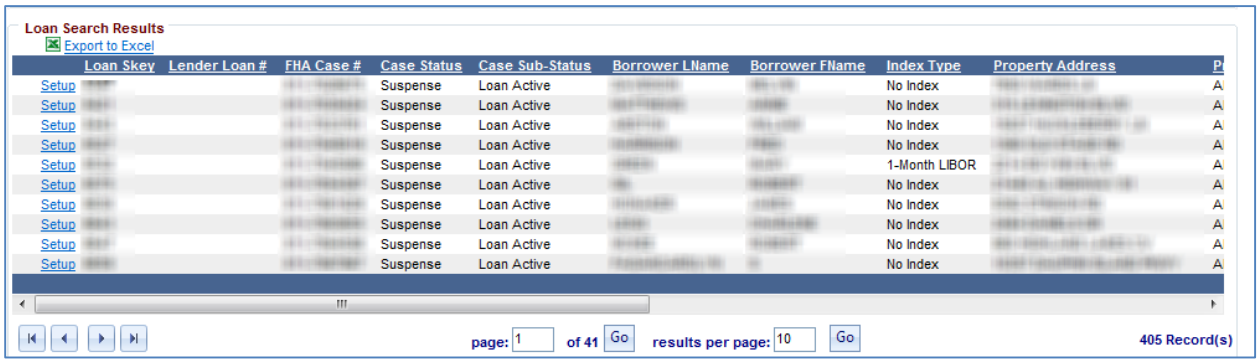


Figure 2-6: Navigating Search Results

Most likely, any general search performed will return more records than the user can view at one time. Likewise, for a single record, the user will not be able to view all the columns displayed in the loan search results table, unless the user uses the scroll bar at the bottom of the screen.

A suite of navigation tools is located at the bottom of the loan search results screen to help the user to navigate the table and the individual rows.

2.4.4.1 Sorting Records

By default, the records in the search results table are sorted by Loan Skey number but the user can re-sort them by clicking on any column header. This will sort it in alpha or numeric order depending on the column. If the user clicks the header again, it will sort the opposite way. Some of the column headers that can be sorted by are Loan Skey, Lender Loan #, FHA Case #, Case Status, Borrower LName and Borrower FName.

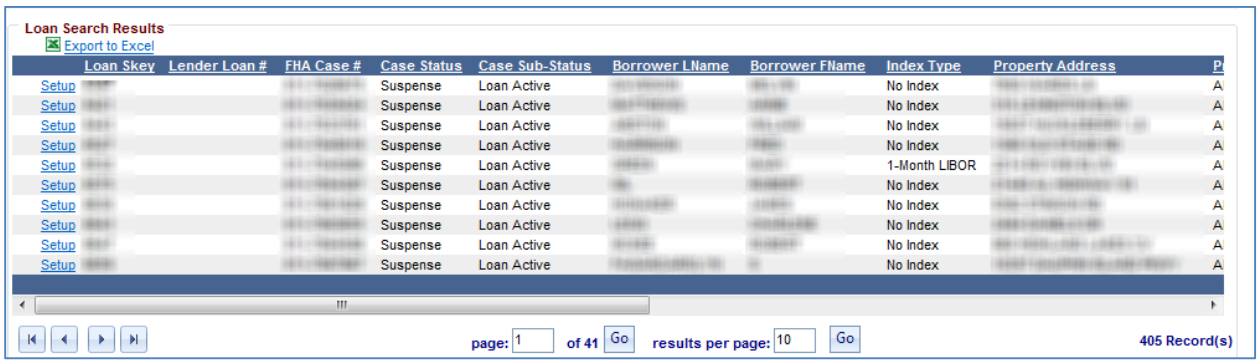


Figure 2-7: Sorting Search Results

2.4.4.2 To See all the Columns in the Table

To see the remaining columns displayed in the **Loan Search Results** section, click and drag the horizontal scroll bar to the right.

Figure 2-8: Navigating Search Results – Horizontal Bar

2.4.4.3 Scrolling by Page

To scroll down page by page, or to the very last or first page in the table, click the arrow buttons in the bottom left of the screen. Clicking the arrow to the far right will take the user to the last page. Clicking the arrow to the far left will take the user back to the first page. The arrows in the middle will take the user to the previous or subsequent page.

Figure 2-9: Scrolling by Page

2.4.4.4 Navigating by Specific Page Number

To go to a specific page, enter the value beside the field page and click **Go**. To select the results per page, enter the value (max of 300) beside the field **results per page** and click **Go**.

Figure 2-10: Navigating by Specific Page Number

2.4.4.5 Viewing the Number of Records Returned in a Query

View the total record count in the lower right corner at the bottom of the **Search Results** section.

Figure 2-11: Viewing the Number of Records Returned

2.4.5 Exporting Loan Search Results to Excel

The **Export to Excel** link will allow the user to export their **Loan Search** results to excel (Max of 10,000).

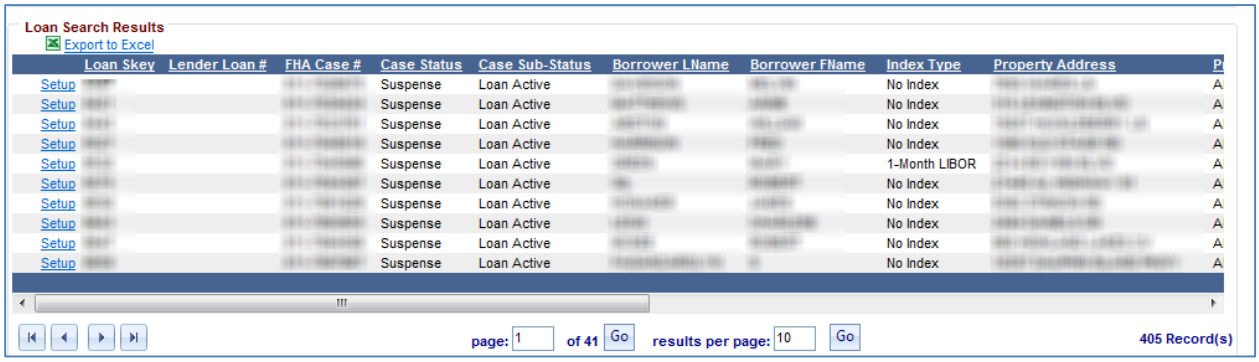


Figure 2-12: Exporting Loan Search Results to Excel

To export the Search Results table to Excel:

Step 1. Click the Export to Excel link at the top left of the list of the Search results

Step 2. On the File Download dialog box, click **Open** to export the search results to Excel.

Step 3. View or modify the search results when Excel opens a file.

Step 4. Click **Save** option to save the file to the desired location**.**

2.4.6 Top Menu Bar and Loan Balance Screen

From the **Home** screen, click on a recently viewed loan to display the **Loan Balance** screen. User can also click on any loan to take them to the **Loan Balance** screen.

- Top Menu Bar (Arrow- 1):
  - There are up to nine Servicing Module tabs available for selection, depending on the user's security permissions. Users with specific user permissions will be able to see specific tabs.
- Go to loan search link (Arrow- 2):
  - The loan balance screen shows a Go to Loan Search link in the upper left corner under the words "product type" which will take the user back to the original loan search.
- Print loan details (Arrow- 3):
  - It shows a print loan details link which allows user to print the loan details.
- Non Borrowing Spouse Indicator (Arrow-4)
  - The indicator shows whether there is any non borrowing spouse on the indicator.
- Pie Chart Graph (Arrow- 5):
  - On the loan balance screen, there is pie chart and bar graph for the loan balance information. The pie chart will show what percentage of the loan balance is MIP, Interest, Principal, and Service Fee Set Aside. The bar graph will show the loan balance and max claim amount.
- Audit Information (Arrow- 6):
  - At the bottom of the screen, there is an audit information box. The box will show the last time the information on the screen was changed. The box displays the create date, created by, change date, and changed by fields.

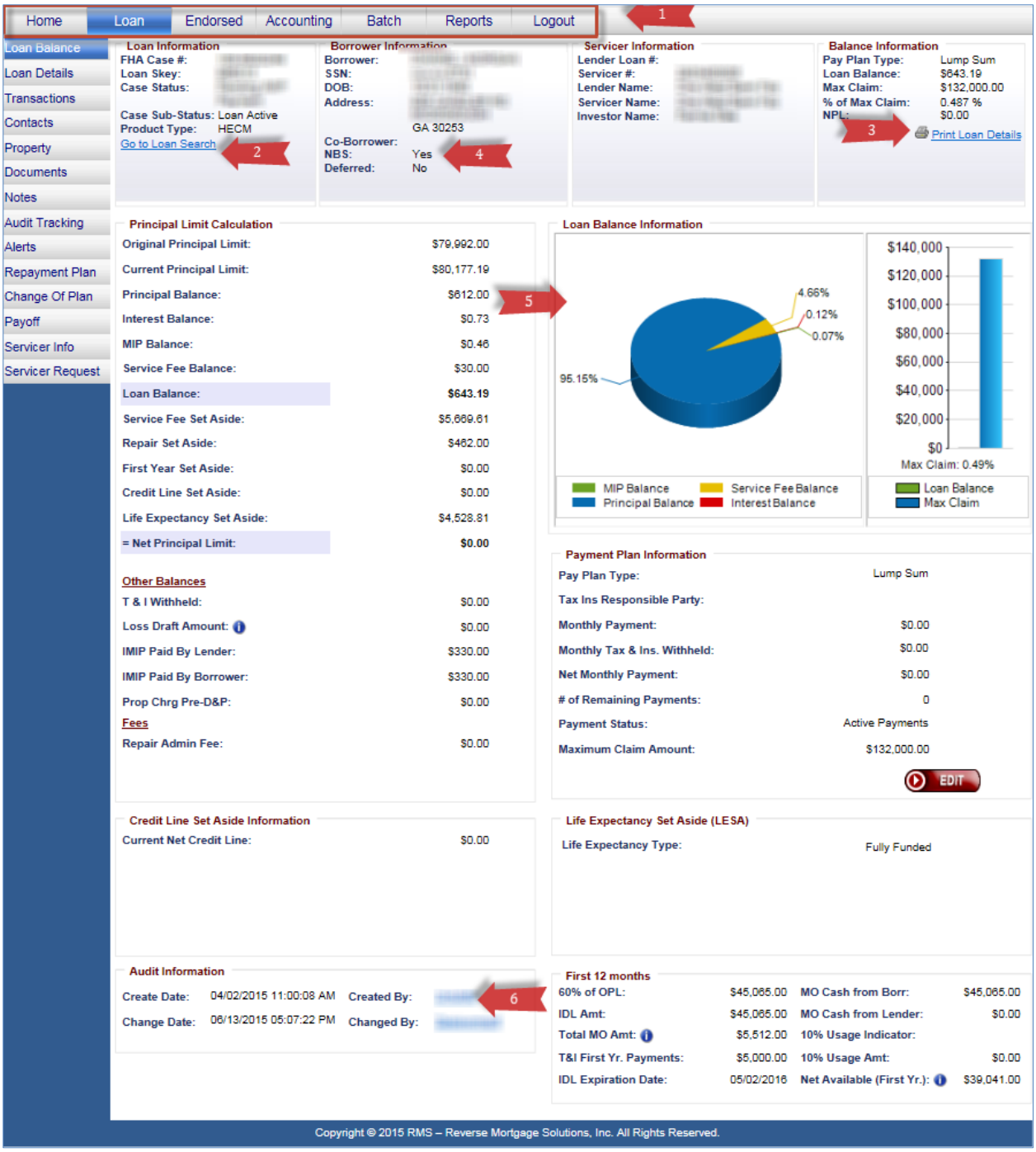


Figure 2-13: Example of the Top Menu Bar

Table 2-3 describes the menu bar tabs at the top of the screen in more detail.

Top Menu bar	Description
Home	• Lists the loans that were recently viewed, their FHA case #, Servicer Name, Borrower Name, and Case Status.

Top Menu bar	Description
	• Lists previous, current, and next rates for certain index types. • Lists helpful links that can be added by certain user roles. • Lists announcements that can be added by certain user roles.
Loan	This tab will enable the user to initiate a loan search using various search criteria.
Assigned	Click this tab to setup or search for servicing timelines on assigned loans: Compliance, Disposition, Requests, Foreclosures, Bankruptcy, Release, Claims and REO (These are available according to the user role).
Endorsed	Click this tab to setup or search for servicing timelines on endorsed loans: Compliance, Disposition, Requests, Foreclosures, Bankruptcy, Release, and Claims (These are available according to the user role).
Accounting	Click this tab to work with transmittals, premiums, claims, refunds, disbursements, and authorizations (These are available according to the user role).
Batch	Click this tab to initiate batch uploads for loan setup, transactions, servicer transfers. This tab also enables the user to transfer loans to other servicers.
Reports	Click this tab to generate daily and monthly reports.
Admin	Click this tab to perform several Admin activities such as denoting a Servicer as "Do Not Pay". This tab has very limited access and is provided to select HUD Staff.
Logout	Exit the application.

Table 2-3: Description of the Servicing Module Top Menu Bar

2.4.7 Side Menu Bar

The side menu bar appears on the left side of the application from top to bottom when the user clicks on a loan in the search results screen on the loan tab. There can be up to sixteen tabs available for selection, depending on the user's security permissions. Not all users will be able to see all tabs.

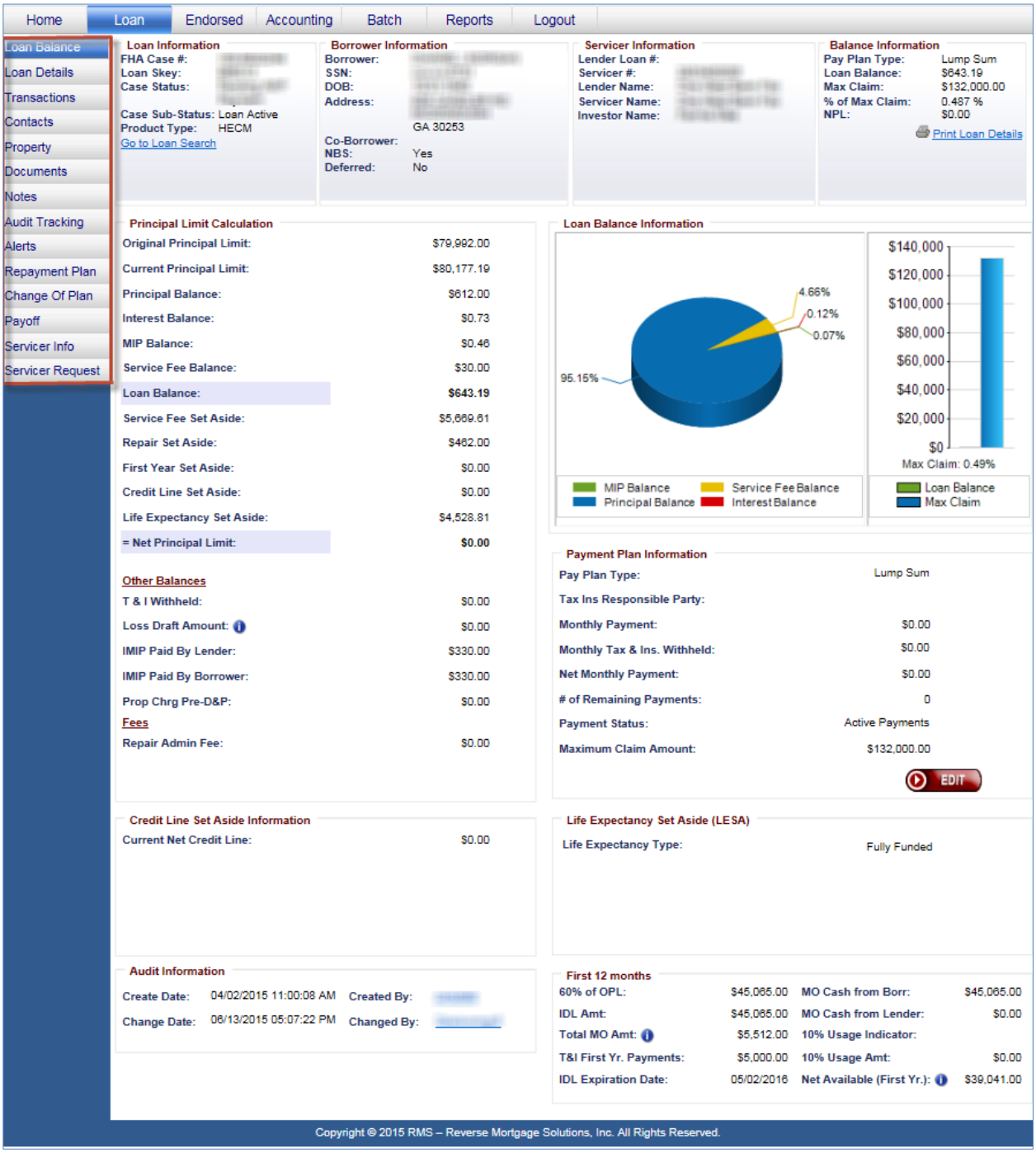


Figure 2-14: Example of the Side Menu Bar

The menu bar on the left side of the screen consists of these values from top to bottom:

Side Menu bar	Description
Loan Balance	Allows the user to view the Loan balance details and payment plan information for the loan that has been queried.
Loan Details	Allows the user to view the loan details to include the loan rates, loan dates and the 1st and 2nd mortgage information.
Transactions	Allows the user to create, view and edit transactions in the system depending on the user's permissions.
Contacts	Allows the user to create, view and edit the borrower, co-borrower and additional contacts for the loan depending on their permissions. They can also be deleted except for borrower and co-borrower.
Property	Allows the user to edit property details, and upload or delete a property photo depending on their permissions.
Documents	Allows the user to upload (PDF only), delete and view documents for the loan depending on their permissions.
Notes	Allows the user to view, delete and create notes depending on their permissions. The notes tab displays notes that have been added by the user and system generated notes.
Audit tracking	Allows the user to view events that have occurred in the Servicing Module during the life of the loan.
Alerts	Allows the user to view alerts for critical events that occur on the loan. New alerts can also be added in the system that can be viewed here.
Change of plan	Allows the user to change a loan's payment plan if a borrower elects to do so. This screen will only allow user with the authorized permissions to change the pay plan. Payment plans can be changed for endorsed and assigned loans.
Repayment Plan	Allows the user to enter the repayment plan detail if a borrower elects to do so. This screen will only allow user with the authorized permissions to enter repayment plan details. Repayment plans can be created and updated for pre-endorsed, endorsed and assigned loans.
Payoff	Allows the user to view and print the payoff information for the loan.
Statement	This tab displays the monthly statement amount details as of the selected reporting period. Only authorized users have access to the Statement screen.
Disbursement	This screen displays the Notes disbursement transactions. The screen also allows the user to create disbursement transactions.
Servicer Info	This screen allows a user with the appropriate permissions to transfer and servicer or investor and also to update bank account information.
Servicer request	Allows the user to create an endorsed or assigned timeline depending on their permissions.
Bank Account	This screen allows authorized users with the ability to edit the Payment Method and Borrower's Bank Account information.

Table 2-4: Description of the Servicing Module Side Menu Bar

2.4.7.1 Information Help Feature

On various screens there is a feature to help the user obtain relevant information. This feature is designated on various screens by a circle with an "i" in the middle of it as shown below. Hovering over the information button will display a short description of the field.

Figure 2-15: Information Help Feature

2.4.8 About your HERMIT Password

2.4.8.1 Unsuccessful Login Attempts or Forgotten Passwords

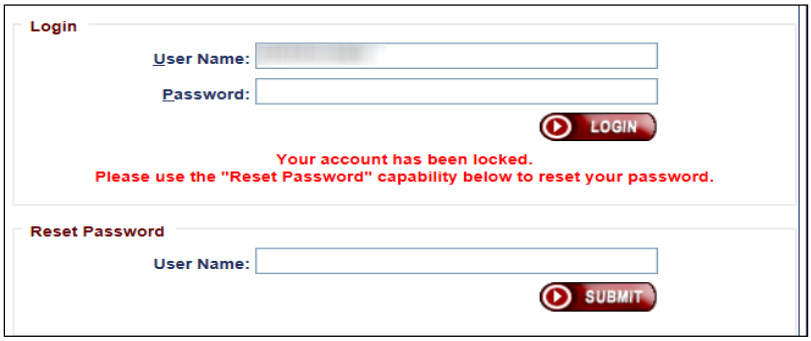


Figure 2-16: Resetting Password

If a user makes three unsuccessful login attempts, the account will be locked and an error message requesting them to use the Reset password capability below will be displayed. A temporary password will be sent to the email on file when the User submits the information. The User will no longer need to call the Help Desk to reset the password.

On the login screen, enter the email address associated with the user access account. The request will be emailed to the HERMIT Help Desk, the password will be reset, and the user will be notified through the users email on record.

2.4.8.2 Changing Your Password

When the user is granted access to HERMIT, the login credentials and passwords are sent via two separate emails. We recommend you change the password when you login for the first time. All passwords in the HERMIT system must have at least eight (8) characters. All passwords must also contain alphabetic and non-alphabetic characters. Non-alphabetic characters include numbers (0-9) and punctuation. We recommend that you do not write down or share your password.

To change the password:

Step 1. Once you've logged in, at the top of the screen, click the **Edit Profile** link.

Figure 2-17: Edit Profile on Home Screen

Step 2. Click the **Password** tab.

Figure 2-18: Password Tab

Step 3. Type in your old password and new password, and confirm the new password.

Step 4. Click Update and you can continue working on the system. Next time the user will have to log in using the new password.

CHAPTER 3: INTRODUCTION TO USER GROUPS

3. INTRODUCTION TO USER GROUPS

This chapter will provide users with an understanding of the following functions:

- **Overview of User Groups**
- **Servicers User Group**
- **Lender User Group**
- **Investor User Group**
- **HUD Single Family Premiums User Group**
- **HUD Claims Staff User Group**
- **HUD NSC Contractor User Group**
- **HUD NSC User Group**

3.1 Overview of User Groups

The Servicing Module has seven different user groups containing different roles and permissions or responsibilities. They have been decided after extensive discussions with HUD GTMs and taking the day to day activities into consideration. The business partners have the ability to perform daily activities like loan set up but the approval/denial roles are with the HUD staff.

Not all user roles within a user group have the same permission levels; these vary based on the roles/responsibilities assigned to the user. A user can only have one user role at a time in the system. A Supervisor has roles and permissions that allow them to perform certain functions. Their Manager can perform their functions and have additional permissions to approve or deny activities performed by the Supervisor.

Currently, there are about 27 roles assigned to different user groups with about 350+ permissions in total. Each role or permission is uniquely assigned to its group and is not repeated. Further, to impose security and segregation of various roles and responsibilities, each of them have permissions either enabled or disabled for a user role. Only authorized user roles with the enabled permissions can perform a particular function.

For example: The permission for the Loan Setup function in the Servicing Module is enabled for user roles associated with HUD Single Family, Lender and Servicer user groups. No other user role can perform loan setup in Servicing Module except for the role that has that permission.

The user groups available in the Servicing Module are:

- Servicers (Chapters 4, 5, 7, 8, 9)
    - The servicer manages the loan for the Lender/investor and performs day-to-day management of HECM mortgage loan accounts, including disbursing monthly payments, performing change-of-payment plans, performing any unscheduled disbursements on behalf of borrower amongst other functions.

- Lenders (Chapters 4, 5, 7, 9)
    - A person or company that makes loans for HECMS. They will use the system to track events that occur on the loan and perform day-to-day management of HECM mortgage loan accounts, including disbursing monthly payments, performing change-of-payment

plans, performing any unscheduled disbursements on behalf of borrower amongst other functions.

- Investors (Chapters 4, 5, 8)
  - The investor owns or finances the loans and will use the system to perform transactions and view information about the loan such as payoff statements, claims status and loan details. This group can also authorize repayments and activate and suspend payments.

- HUD Single Family Staff (Chapters 4, 5, 9, 10)
  - This user group will be able to perform day-to-day management of HECM mortgage loan accounts for the endorsed loans.

- HUD Claims Staff (Chapters 5, 8)
  - This user group will have the rights to approve/deny claims. They can also cancel payments and monitor the Claims activities within the system.

- HUD NSC Contractors (Chapters 6, 7, 9)
  - This user group will manage the day-to-day activities for the Assigned Notes portfolio for HUD and requests for servicing for the Insured HECM loan for Servicers.

- HUD NSC Staff (Chapters 6, 7, 9)
  - This user group will perform servicing management activities for the Assigned HECM portfolio and the Insured HECM portfolio for specific servicing requests.

3.1.1 Changes to User Roles and Permissions

After the user logs into the system, they will be able to perform the functions within their user group listed below. If a user desires to add/modify another user role, they will need to contact the HUD Staff (GTM), update the request form, and send it to the HERMIT Help Desk. Based on the approval, the changes would be made to the role and the user will be informed.

3.2 Lender User Group

The table below lists the most relevant functions for the Lender user group and provides links to the chapters and sections where instructions are documented to perform those functions.

Item #	Function	Section #
1.	Perform - Initial Servicer Transfer	5.19
2.	Loan Setup (manual and B2G)	4.2, 4.3
3.	Activate/Suspend Payments	5.3
4.	Edit Loan Details	5.4
5.	Add Transactions	5.5
6.	Edit Contacts	5.6
7.	Edit Property Information and Property Values	5.7
8.	Upload Documents	5.8
9.	Add Notes	5.9
10.	Add Alerts	5.11
11.	Perform Change of Plan (COP)	5.12
12.	Update Servicer/Investor Information	5.15
13.	Review Transaction Status – Accounting Transmittals	5.18
14.	View IMIP/Refund/MMIP Batch Details	5.18
15.	Authorize Repayments	5.18
16.	Review or Cancel Pending Servicer Transfers	5.19
17.	Perform - Batch Servicer Transactions	5.19
18.	Perform – Servicer File Uploads (B2G File Uploads)	5.19
19.	Release Timelines	7.3
20.	Review Claims	8.1
21.	View Premium (Daily IMIP & Refunds Transactions) Reports	9.5

Table 3-1: Lender User Group Crosswalk

3.3 Servicer User Group

The table below lists the most relevant functions for the Servicers user group and provides links to the chapters and sections where instructions are documented to perform those functions.

Item #	Function	Section #
1.	Perform - Initial Servicer Transfer	5.19
2.	Loan Setup (manual and Business 2 Government (B2G))	4.2, 4.3
3.	Activate/Suspend Payments	5.3
4.	Edit Loan Details	5.4
5.	Add Transactions	5.5
6.	Edit Contacts	5.6
7.	Edit Property Information and Property Values	5.7
8.	Upload Documents	5.8
9.	Add Notes	5.9
10.	Add Alerts	5.11
11.	Perform Change of Plan (COP)	5.12
12.	Update Servicer/Investor Information	5.15
13.	Edit Servicer Bank Account Information	5.15
14.	Review Transaction Status – Accounting Transmittals	5.18
15.	View IMIP/Refund/MMIP Batch Details	5.18
16.	Authorize Repayments	5.18
17.	Review or Cancel Pending Servicer Transfers	5.19
18.	Perform - Batch Servicer Transactions	5.19
19.	Perform – Servicer File Uploads (B2G File Uploads)	5.19
20.	Create and Edit Repayment Plan	5.20
21.	Endorsed - Compliance Timelines	7.2
22.	Endorsed - Disposition Timelines	7.2
23.	Endorsed - Foreclosure Timelines	7.2
24.	Endorsed - Bankruptcy Timelines	7.2
25.	Endorsed - Requests Timelines	7.3
26.	Endorsed - Release Timelines	7.3
27.	Claims	8.2 – 8.5
28.	View Premium (Daily IMIP & Refunds Transactions) Reports	9.5

Table 3-2: Servicer User Group Crosswalk

3.4 Investor User Group

The table lists the most relevant functions for the Investor user group and provides links to chapters and sections where instructions are documented to perform those functions.

Item #	Function	Section #
1.	Loan Setup (manual and B2G)	**4.2, 4.3**
2.	Activate/Suspend Payments	**5.3**
3.	Edit Loan Details	**5.4**
4.	Add Transactions	**5.5**
5.	Upload Documents	**5.8**
6.	Edit Investor Bank Account Information	**5.15**
7.	Authorize Repayments	**5.18**
8.	Review Claims	**8.1**

Table 3-3: Investor User Group Crosswalk

3.5 HUD Single Family Premiums User Group

The table below lists the most relevant functions for the HUD Single Family Premiums user group and provides links to the chapters and sections where instructions are documented to perform those functions.

Item #	Function	Section #
1.	Verify IMIP Collection	4.4
2.	Approve/Deny Refund (Accounting – Refund)	4.5
3.	Add Notes on a Loan	5.9
4.	Add Alerts on a Loan	5.11
5.	View IMIP/Refund/MMIP Batch Details	5.18
6.	View IMIP Daily Transactions Report	9.5
7.	View Refunds Daily Transactions Report	9.5
8.	View CHUMS Exception Report	9.8

Table 3-4: HUD Single-Family Premiums User Group Crosswalk

The Single Family Staff have permissions enabled for servicer activities (for example: loan setup, transactions). For servicer functions and corresponding links to chapters/sections, refer to **Table 3-1** in **Section 3.2**.

3.6 HUD Claims Staff User Group

The table below lists the most relevant functions for the HUD Claims Staff user group and provides links to chapters and sections where instructions are documented to perform those functions.

Item #	Function	Section #
1.	Add Notes on a Loan	5.9
2.	Add Alerts on a Loan	5.11
3.	View Claims Transaction Status	5.18
4.	Review and Process Claims	8.6
5.	Approve Claim	8.6
6.	Deny Claim	8.6
7.	Request Additional Information	8.6
8.	Re-Review Claim	8.6
9.	Set No Pay Order	8.7
10.	Cancel Payment	8.8

Table 3-5: HUD Claims Staff User Group Crosswalk

3.7 HUD NSC Contractor User Group

The table below provides a list of the most relevant functions for HUD NSC Contractor user group and provides links to chapters/sections where instructions are documented to perform those functions.

Item #	Function	Section #
1.	Activate/Suspend Payments	6.3
2.	Edit Loan Details	6.4
3.	Add Transactions	6.5
4.	Edit Contacts	6.6
5.	Edit Property Information and Property Values	6.7
6.	Upload Documents	6.8
7.	Add Notes	6.9
8.	Add Alerts	6.11
9.	Perform, Print & Approve Change of Plan (COP)	6.12
10.	Print Payoff	6.13
11.	Print Monthly Statement	6.14
12.	Create Disbursements	6.15
13.	Update Servicer/Investor Information	6.16
14.	Edit Borrower Bank Account Information	6.18
15.	Review Transaction Status – Accounting Transmittals	6.19
16.	Print Check/Generate NACHA File/Clear or Void Check	6.19
17.	Upload Vendor Files	6.20
18.	Create and Edit Repayment Plan	6.21
19.	Endorsed – Request Timelines (need HUD NSC Contractor review and approval)	7.3
20.	Endorsed – Release Timelines (need HUD NSC Contractor review and approval)	7.3
21.	Assigned - Compliance Timelines	7.4
22.	Assigned - Disposition Timelines	7.4
23.	Assigned - Requests Timelines	7.4
24.	Assigned - Foreclosure Timelines	7.4
25.	Assigned - Bankruptcy Timelines	7.4
26.	Assigned - Release Timelines	7.4
27.	Claims – Repurchase	7.4
28.	Claim Type 22 - Assignment	8.3
29.	View Assigned Notes Report	9.6

Table 3-6: HUD NSC Contractor User Group Crosswalk

3.8 HUD NSC Staff User Group

The table below lists the most relevant functions for the HUD NSC Staff user group and provides links to chapters and sections where instructions are documented to perform those functions. The HUD NSC user group works in conjunction with the HUD NSC Contractor user group to manage the activities on the Assigned Notes portfolio.

Item #	Function	Section #
1.	Add Notes on a Loan	6.9
2.	Add Alerts on a Loan	6.11
3.	View Notes Transaction Status	6.19
4.	Create and Edit Repayment Plan	6.21
5.	Approve Preservation and Protection Expenses	7.3
6.	Approve/Deny Partial Release	7.3
7.	Approve/Deny Consent of Lienholder	7.3
8.	Approve Attorney Assignment on Loss Mitigation - Pre-Foreclosure	7.4
9.	Approve/Deny Loss Mitigation - Short Sale	7.4
10.	Approve/Deny Write-Off Review	7.4
11.	Approve Assignment Pre- Repurchase and Repurchase	7.4
12.	View Assigned Notes Report	9.6
13.	View Management and Budgetary Reports	9.7

Table 3-7: HUD NSC Staff User Group Crosswalk

CHAPTER 4: LOAN SETUP

4. LOAN SETUP

This chapter discusses loan setup, IMIP collection and refund processes.

1. **Loan Setup Overview Process**
   - **Manual Process**
   - **B2G Process**
2. **IMIP Collection**
3. **Refunds**
   - **IMIP**
   - **Late Charges and Interest**

4.1 Loan Setup Overview Process

This section describes the loan setup, IMIP collection and case status transition in the Servicing Module at a high level.

- **Suspense**: After day one activities are performed in FHA Connection (FHAC), the Servicing Module receives initial case details from CHUMS via the daily interface file. This file is processed in the Servicing Module and loans that pass all validations are recorded with a case status of Suspense. Reinstatement of previously cancelled cases are received via the daily interface file from CHUMS and are recorded in the Servicing Module with a case status of Suspense.
- **Pending IMIP Payment**: The loan is now available for the lender/servicer to perform loan setup. The lender/servicer must populate the required loan details to complete the loan setup and initiate the IMIP collection. Once the loan setup is completed, the case status is updated to Pending IMIP Payment.
- **Pending Endorsement**: The Servicing Module sends the request for IMIP receivable to the Accounting Module via a daily batch interface file, triggering the collection of IMIP.
    - Upon receiving the notification of IMIP collection from Accounting Module, the case status is updated to Pending Endorsement.
    - Upon failure to collect IMIP, the Servicing Module will not change the case status. The Servicing Module provides the ability to retry the IMIP collection batch request once the problem causing the NSF has been corrected. Refer to the Accounting-Transmittals section 5.18.1.4 documented in this User Guide in Chapter 5 for details.
- **Endorsed**: The Servicing Module notifies CHUMS of the successful IMIP collection through a daily interface file. Upon acceptance of Case binder, CHUMS will send the Endorsed case status update information through a daily interface file to the Servicing Module. Upon processing this information, the case status is updated to Endorsed.

Note: HUD charges two mortgage insurance premiums on HECM reverse mortgages: an initial premium – IMIP, and an annual premium (calculated per HUD regulations for each month and collected as MMIP). The IMIP amount is received from CHUMS in the Servicing Module; however, the MMIP is calculated every month in the Servicing Module as part of monthly accruals.

The loan setup can be performed by lenders/servicers manually through the **Loan Setup** screen or electronically through B2G (loan setup import file) which are described in detail in the following sections.

4.2 Manual Loan Setup

This section describes the manual loan setup through the Loan Setup screen. This screen allows the user to setup one loan at a time.

The key case-level data on the Loan Setup screen is populated with the information received from CHUMS. On day two from case number assignment, an authorized user is required to enter additional loan data to complete the loan setup to remit IMIP.

4.2.1 Performing Loan Setup

To perform loan setup:

Step 1. Select the Loan tab.

Step 2. Enter the FHA case number of the loan. Click **Search**.

Step 3. Click **Setup** link beside the loan displayed under the **Loan Search Results** section.

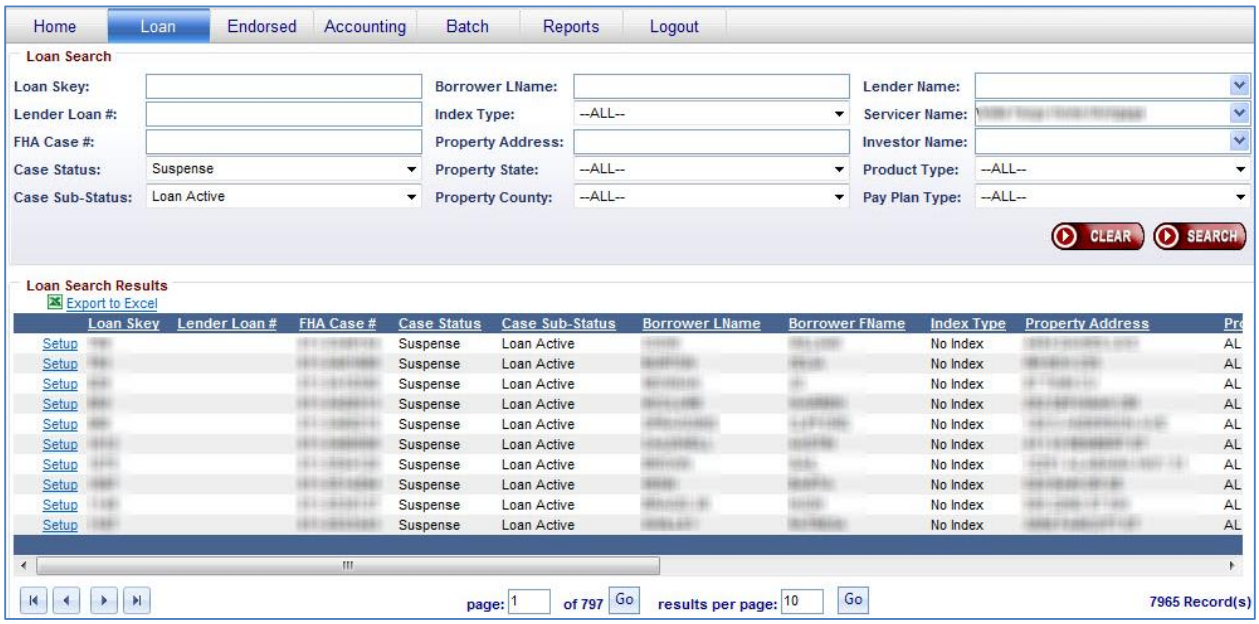


Figure 4-1: Loan Search Screen - Suspense Loans

Step 4. On the **Loan Setup** screen, enter the loan details (Required fields are marked with an asterisk) to complete the loan setup. Refer to **Section 4.2.2** for details on each of the fields displayed on the loan setup screen. On this screen the following buttons are displayed:

- **Save & Close** – This button allows the user to save their changes and complete the loan setup.
- **Save & Next** – This button allows the user to save their changes, complete the loan setup and display the next loan with a case status of Suspense.
- **Cancel** – This button allows the user to exit the loan setup screen without saving the information.

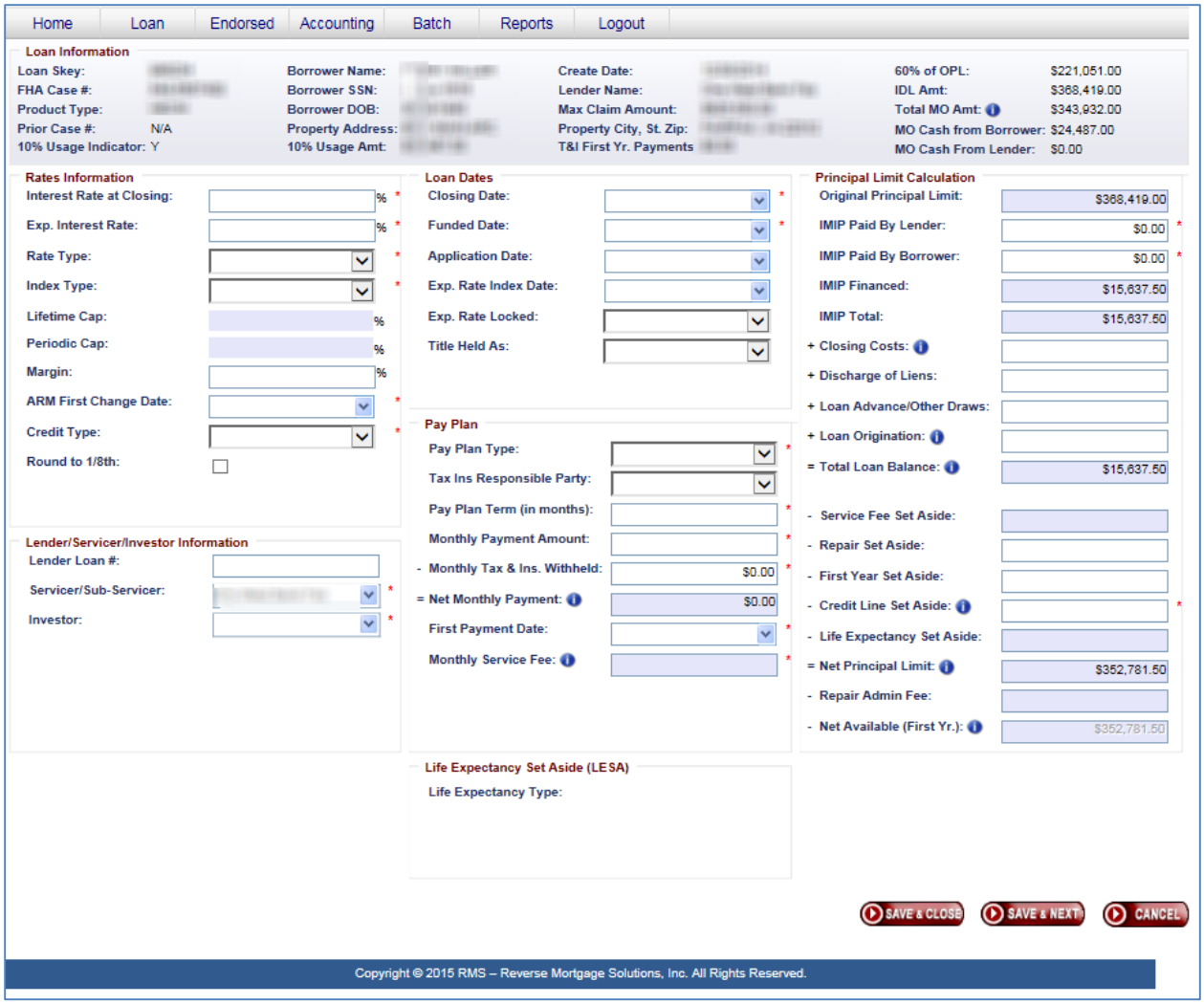


Figure 4-2: Loan Setup Screen

Step 5. Enter the required data fields on the loan setup screen and click the **Save & Next** button. The system will validate the data fields and display the error messages when the validations fail. Click **OK** to close the message window. The user must fix the errors to continue with the loan setup.

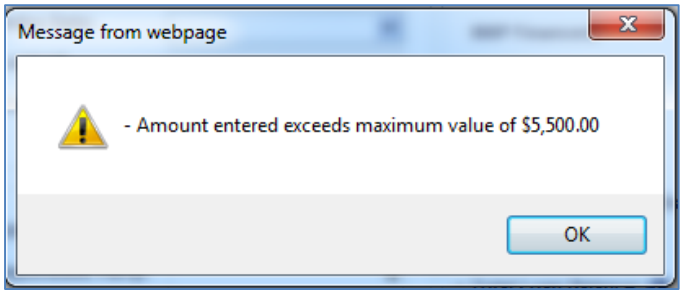


Figure 4-3: Sample Error Message - Loan Setup Screen

Step 6. If all the validations pass, the loan setup is complete and the case status is updated to Pending IMIP Payment. The user is navigated back to the **Loan Search** screen.

4.2.2 Details of Data Fields on the Loan Setup Screen

The tables below describe the data fields on the Loan Setup screen.

4.2.2.1 Loan Information

The table below provides the details of data fields within Loan Information section. The data fields within this section cannot be edited by the user.

Field name	Description
Loan Skey	A unique system-generated number assigned for each FHA case.
FHA Case#	The 10-digit case number, received from CHUMS.
Product Type	The type of HECM Case received from CHUMS: • HECM (New HECM Product Type per ML 2013-27) • HECM for Purchase (New HECM Product Type per ML 2013-27) • HECM – Refinance (New HECM Product Type per ML 2013-27) • HECM Standard (HECM Traditional with a standard IMIP designation) • HECM Standard for Purchase (HECM for Purchase with a standard IMIP designation) • HECM Standard – Refinance (HECM Refinance with a standard IMIP designation) • HECM Saver (HECM Traditional with a saver IMIP designation) • HECM Saver for Purchase (HECM for Purchase with a saver IMIP designation) • HECM Saver - Refinance (HECM Refinance with a saver IMIP designation)
Prior Case #	The FHA case number of a previously refinanced case. This field is available only for HECM Refinance, HECM Standard Refinance or HECM Saver Refinance product types.
10%Usage Indicator	An indicator to identify if the Mortgagor has elected to use an additional 10% of their Principal Limit amount at the time of loan closing or during the First 12-Month Disbursement Period so that the correct amount of initial MIP is collected. This data is received from CHUMS.

Field name	Description
Borrower Name	The name of the youngest borrower on the HECM Case received from CHUMS.
Borrower SSN	The social security number of the youngest borrower on the HECM Case received from CHUMS.
Borrower DOB	The data of birth of the youngest borrower on the HECM Case received from CHUMS.
Property Address	The address of the mortgaged property received from CHUMS.
10% Usage Amt	The amount of the additional 10% of the Principal Limit amount that the mortgagor has elected to have available. This data is received from CHUMS.
Create Date	The date when the loan/case was received in Servicing Module from CHUMS; this is a system-generated date.
Lender Name	The name of the originating lender received from CHUMS.
Max Claim Amt	The maximum claim amount of home value insured by HUD for the case. It is the least of appraised value, national mortgage limit, or sales price. This data is received from CHUMS.
Property City, St, State, Zip	The city, state and zip code information of the mortgaged property. This data is received from CHUMS.
T&I First Yr Payments	Tax and Insurance Payments scheduled for payment from the Property Charge Set Aside or from HECM proceeds within the First 12-Month Disbursement Period. This data is received from CHUMS.
60% of OPL	60% of the Original Principal Limit amount. This field is used in the calculation of the Initial Disbursement Limit. This data is received from CHUMS.
IDL Amt	The amount of mortgage proceeds that can be advanced at loan closing or during the First 12-Month Disbursement Period after loan closing. The sum of Loan Advances/Other Draws and the fields that comprise the Total Mandatory Obligation (IMIP Financed, Closing Costs, Discharge of Liens, Loan Origination, Repair Set Aside, and T&I First Yr Payments) cannot exceed the IDL amount on submission on the Loan Setup screen. This data is received from CHUMS.
Total MO Amt	The Total Mandatory Obligations Amount received from CHUMS. The Total Mandatory Obligations should be the sum of IMIP Financed, Closing Costs, Discharge of Liens, Loan Origination, Repair Set Aside, and T&I First Yr Payments on submission on the Loan Setup screen.
MO Cash from Borrower	The Mandatory Obligation Cash amount paid by the Borrower at Loan Closing. The data is received from CHUMS.
MO Cash from Lender	The Mandatory Obligation Cash amount paid by the Lender at Loan Closing. The data is received from CHUMS.

Table 4-1: Data Fields - Loan Information Section

4.2.2.2 Rates Information

The table below provides the details of data fields within Rates Information section. All required fields are denoted by an asterisk.

Field	Description
Interest Rate at Closing*	The note interest rate at closing of the loan. This is a required field.
Exp. Interest Rate*	The expected interest rate of the loan, which is used to determine the principal limit on a loan. This is a required field.
Rate Type*	The rate type for the case. This is a required field. The selectable options are: • Annual • Fixed • Monthly
Index Type*	The index type for the case. Used by a lender to determine the interest rate for an adjustable rate mortgage (ARM) Valid index types are Constant Maturity Rate (CMT) and London Interbank Offered Rate (LIBOR) This is a required field. Select the Index Type based on the Rate Type. The selectable options are: • 1 Month CMT • 1 Yr-CMT • 1 Yr-LIBOR • 1 Month LIBOR • No Index
Margin	The margin for adjustable loans. This is required only for monthly and annually adjustable loans.
ARM First Change Date	The first change date of an adjustable rate mortgage. This is required only for monthly and annually adjustable loans.
Credit Type*	Either open-ended or close-ended. This is a required field.
Lifetime Cap	The maximum interest rate on an adjustable rate mortgage that may be charged at any point over the life of the mortgage. This field is system-generated for annual or monthly rate types.
Periodic Cap	The interest rate increase from one adjustment period to the next. This field is system-generated for annual rate types.
Round to 1/8th	Refers to the interest rate adjustment rounding feature. Select the checkbox to cause future rate adjustments to be rounded to the nearest 1/8th. This is an optional field.

Table 4-2: Data Fields - Rates Information Section

4.2.2.3 Lender/Servicer/Investor Information

The table below provides the details of data fields within Lender/Servicer/Investor Information section. All required fields are denoted by an asterisk.

Field	Description
Servicer/Sub-Servicer*	The current servicer of the HECM Case. This is a required field.
Investor Name*	The investor of the HECM Case. This is a required field.
Lender Loan #	The unique loan identifier assigned by the lender. This is an optional field.

Table 4-3: Data Fields - Lender/Servicer/Investor Information Section

4.2.2.4 HECM For Purchase Information

The table below provides the details of data fields within HECM for purchase Information section. This section is visible and available only for HECM for Purchase, HECM Standard for Purchase (HECM for Purchase with a standard IMIP designation) or HECM Saver for Purchase (HECM for Purchase with a saver IMIP designation) loans. All required fields are denoted by an asterisk.

Field	Description
Was Prior Sale/Transfer*	This field allows a user to choose if there was a prior sale of the property. This is a required field with values of "Yes" or "No".
Prior Sale Date*	The sale date of the prior property of the borrower. This is a required field if Prior Sale/Transfer is "yes".
Prior Sale Price*	The sale price of the prior property of borrower. This is a required field if Prior Sale/Transfer is yes.
Sale Date	The date the mortgagor and mortgagee agree on the terms of the contract for the HECM mortgaged property. This is an optional field.
Contract Date	The contract date of the HECM mortgaged property. This is an optional field.
Borrower Investment Amount	The amount needed to satisfy the difference between the sales price and HECM principal limit. This is an optional field.

Table 4-4: Data Fields - HECM for Purchase information Section

4.2.2.5 Loan Dates

The table below provides the details of data fields within Loan Dates section. All required fields are denoted by an asterisk.

Field	Description
Closing Date*	The date the loan was closed. It is the date the mortgagor and mortgagee sign the closing documents. This is a required field.
Funded Date*	The date when the funds are disbursed. This is a required field.
Exp. Rate Locked*	Captures whether the expected interest rate was locked. This is a required field with values of "Yes" or "No".
Exp. Rate Index Date	This field identifies the index date of expected interest rate. This is an optional field.
Title Held As	Used to determine if mortgage meets statutory and regulatory requirements. This is an optional field.
Application Date	The date Borrower signed the initial 1009 form. This is an optional field.

Table 4-5: Data Fields - Loan Dates Section

4.2.2.6 Pay Plan

The table below provides the details of data fields within Pay Plan section. All required fields are denoted by an asterisk.

Field	Description
Pay Plan Type*	The payment plan type to be setup for a loan. This is a required field. The selectable options are: • Line of credit • Term • Tenure • Modified term • Modified tenure • Lump Sum
Monthly Service Fee*	The service fee charged by the lender/servicer for each month throughout the life of the loan. This is a required field.
Pay Plan Term (in months)	The number of months for which monthly payments are made. This is required only for term or modified term pay plan types.
Monthly Payment Amount	The monthly payment amount scheduled to be made to the borrower each month. This is required only for term, tenure, modified term and modified tenure payment plan types.
First Payment Date	The date monthly payments are to begin. This is required only for term, tenure, modified term, and modified tenure payment plan types.
Basis Points	The servicing fee margin associated with the HECM loan. This is required only if Monthly Service Fee equals $0.00.
Net Monthly Payment	This is system-calculated value, difference between Monthly Payment Amount and Monthly Tax & Ins Withheld.

Field	Description
Monthly Tax & Ins Withheld	The amount set aside monthly for taxes and insurance on the loan. This is an optional field.
Tax Ins Responsible Party	The responsible party for payment of taxes and insurance. Choose either borrower or servicer. This is an optional field.

Table 4-6: Data Fields - Pay Plan Section

4.2.2.7 Late Charge and Penalty Interest

The table below provides the details of data fields within Late Charge and Penalty Interest section. All required fields are denoted by an asterisk.

Field	Description
Late Charge	Any late charges incurred on the loan/case. This is system-generated value. Note: If IMIP is not paid within 15 days of the loan closing date, late charges of 4% of the IMIP is populated.
Penalty Interest (Interest Charge)	This is system-generated value. This field is calculated if IMIP is received 30 or more days after the loan closing date.

Table 4-7: Data Fields - Late Charge and Penalty Interest Section

4.2.2.8 Principal Limit Calculation

The table below provides the details of data fields within Principal Limit Calculation section. All required fields are denoted by an asterisk.

Field	Description
Original Principal Limit	The maximum loan amount for which a borrower is eligible. This field is received from CHUMS.
IMIP Total	The total IMIP that will be collected once the loan is successfully setup. This field is received from CHUMS.
IMIP Paid by Lender*	The Initial Mortgage Insurance Premium (IMIP) paid by lender. This is a required field.
IMIP Paid by Borrower*	The Initial Mortgage Insurance Premium (IMIP) paid by the borrower. This is a required field.
Loan Origination*	This field captures the origination fee charged by the lender. This is a required field.
Loan Advance/Other Draws	Captures the loan advances/other draws taken at closing. This is required only for Modified Term, Modified Tenure, Line of Credit or Lump Sum.
Credit Line Set Aside	The line of credit amount for modified term and modified tenure pay plans. This is required only for modified term and modified tenure pay plans.
Repair Admin Fee	The repair admin fee when amount is set aside for repairs during loan setup. This is required only if data field Repair Set Aside is > $0.00.
Total Loan Balance	This field is calculated by the Servicing Module. Equals the sum of IMIP Total + Closing Costs + Discharge of Liens + Loan Advance/Other Draws + Loan Origination fee.
Service Fee Set Aside	This field is calculated by the Servicing Module and is the amount of funds set aside from the initial/net principal limit for payment of future monthly servicing fees.

Field	Description
IMIP Financed	The Initial Mortgage Insurance Premium (IMIP) financed. This is system-generated value, adjusted according to the data entered in fields IMIP Paid by Lender and IMIP Paid By Borrower.
Net Principal Limit	This field is calculated by the Servicing Module and identifies the principal limit available for borrower.
Closing Costs	The amount of fees and expense incurred by initiation of loan. This is an optional field.
Discharge of Liens	Captures the release of financial liability to a debt of record. This is an optional field.
Repair Set Aside	The amount of money set aside to cover home repairs needed from the initial/net principal limit. This is an optional field.
First Year Set Aside	The amount of money set aside to cover property charges from the initial/net principal limit. This is an optional field.
Life Expectancy Set Aside	The amount of money set aside to cover property insurance, taxes and borrower paid charges. This field is received from CHUMS.

Table 4-8: Data Fields - Principal Limit Calculation Section

4.2.2.9 Life Expectancy Set Aside (LESA)

The table below provides the details of data fields within Life Expectancy Set Aside (LESA) section.

Life Expectancy Type	The LESA type is received from CHUMS. The different LESA types are: • Fully Funded • Partially Funded • Voluntary • Not Required
Semi -Annual Payment	The semi-annual payment is the amount scheduled to be made to the Borrower once the case is Assigned.This is required for Partially Funded LESA Type loans only.

Table 4-9: Data Fields – Life Expectancy Set Aside (LESA) Section

4.3 B2G Loan Setup

The lender/servicer has an ability to upload HECM Case data to the Servicing Module using three B2G interface files. The table below provides a brief description of the files. For additional technical guidance, refer to current version of the B2G File Format and Layout Document.

Field	Description
Loan Setup Import	Enables lenders/servicers to setup one or multiple loans in the Servicing Module.
Servicer Transfer Import	Enables lenders/servicers to record the transfer of servicers on HECM Cases in the Servicing Module.
Transactions Import	Enables lenders/servicers to record loan transactions in the Servicing Module.

Table 4-10: B2G Interface Files

4.3.1 Uploading a B2G Loan Setup Import File

The Servicing Module allows the lender/servicer to perform loan setup on multiple loans (maximum of 1500 records) using a single B2G loan setup import file. The data fields within the B2G loan setup import file are similar to the data fields displayed on the Loan Setup screen (with exception to the system derived fields like calculations). Once the user uploads the file, the system performs validations (similar to the validations performed on the Loan Setup screen) and loans that pass all validations are recorded in the Servicing Module with a case status of Pending IMIP Payment. If any of the critical validations fail, the loan setup is not completed and an error message is displayed for the loan. The details are covered in the below sections.

Note: Refund requests cannot be submitted through B2G file. Upon completion of loan setup through B2G, the lender/servicer must manually request refund of late charges and interest if any, through Loan – Servicer Request screen as documented in section 4.5.1.2 in this User Guide.

4.3.1.1 Preparing Loan Setup Import file

To prepare a B2G loan setup import file:

Step 1. Select **Servicer File Upload**, from the **Batch** tab.
Step 2. Select **Loan Setup**.
Step 3. On the **File Download** screen, click **Open;** this action opens an Excel template.
Step 4. Enter valid values for each column. For each of the field a comment is displayed when user points on the column name. The comment provides the user with the following information:
- whether the field is required, optional or conditionally required
- format/valid values for each field

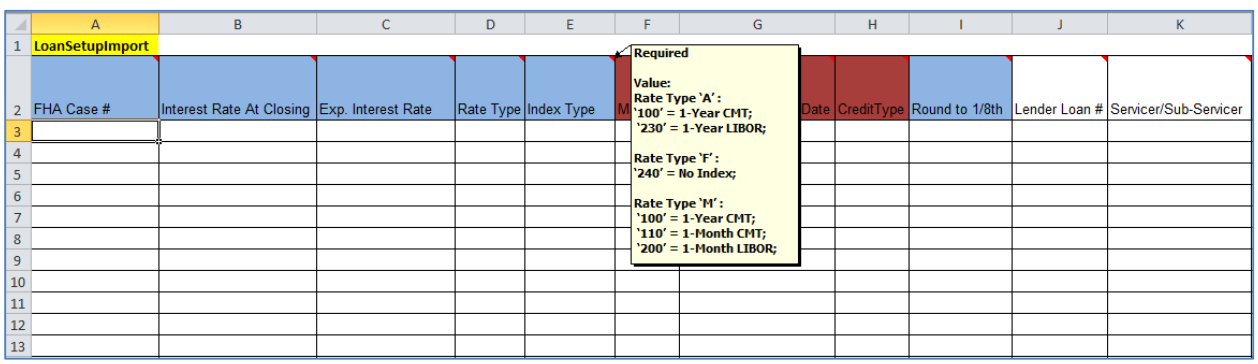


Figure 4-4: Sample Excel Template - B2G File Import

4.3.1.2 Saving the Loan Setup Import file

To save the B2G loan setup import file:

Step 1. Once all required fields are entered in the B2G Loan Setup import file, the file is ready for upload. The file should be saved in a text (tab-delimited) file format:

Step 2. Click **File > Save** in the Loan Setup Import file.

Step 3. Select the folder in which to save the Excel file.

Step 4. Rename the file if desired.

Step 5. Click **File > Save As** and save the file as text (tab-delimited).

Step 6. Click **Save.**

4.3.1.3 Uploading the Loan Setup Import file

To upload the import file:

Step 1. Click **Browse** on the **Servicer File Upload** screen to attach the previously saved loan setup import file.

Step 2. Click **Upload.** The Import Results section displays the details of the upload results.

Step 3. The system will process the file and validate the records within the loan setup import file:

- If all the critical validations pass for the record, the record is uploaded with Pending IMIP Payment case status
- If any of the critical validations fail, the record is not uploaded in the Servicing Module

Step 4. Upon completion of the file processing, the system displays the processing status of each record within the file.

4.3.1.4 Viewing the Upload Status of Loan Setup Import File

The Import Results section displays the details of the processed B2G Loan Setup Import file. It allows user to view:

- **Error Records:** count of records within the file that failed critical validations
- **Warning/Success Records:** count of records that generated a warning but were successfully uploaded in the Servicing Module
- **Success Records:** count of records that were successfully uploaded without generating a warning or error
- **Filters:** This section allows the user to filter the import results by status and error message
- **Export to Excel:** This link allows the user to export the file upload results to an Excel file

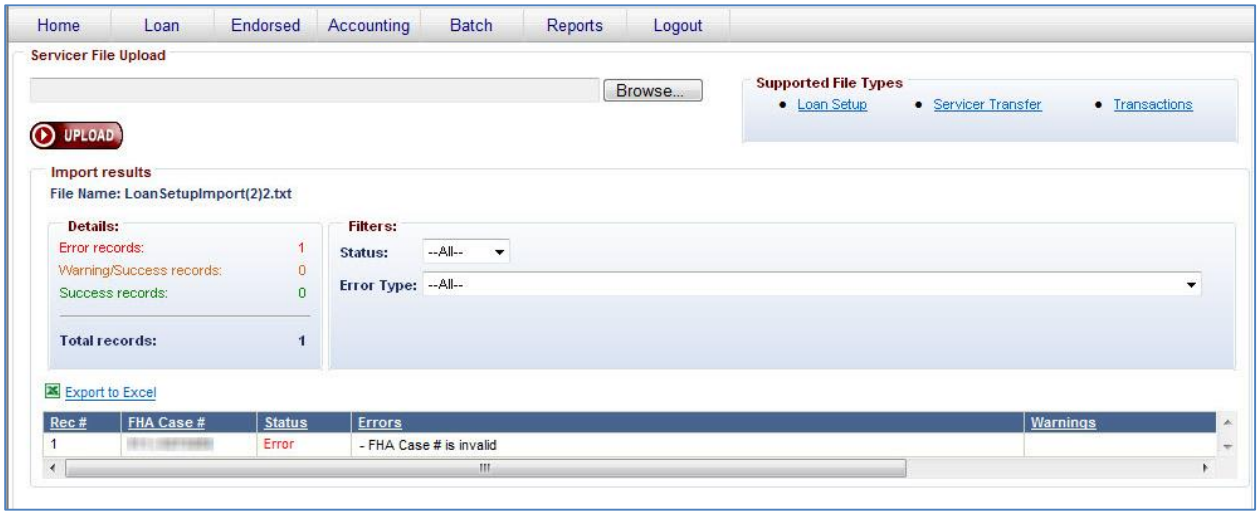


Figure 4-5: Servicer File Upload Screen - Import Results Section

The processing status of each record within the file is displayed:

- **Rec#:** The record number of the case within the file

- **FHA Case#:** The case number associated with the record
- **Status:** The status of the uploaded record (Success, error or warning)
- **Errors:** Description of the errors associated with the record. For example: FHA Case# is invalid
- **Warnings:** Description of the warnings associated with the record

4.4 IMIP Collection

This section explains the IMIP collection processing in HERMIT (Servicing and Accounting Modules) system.

1. The case status is updated to Pending IMIP Payment and the IMIP transaction is generated when a loan setup is performed in the Servicing Module. These FHA cases are sent to the Accounting Module for collection of IMIP via an interface file.
2. The Servicing Module assigns a batch ID and batch status for the IMIP receivable request to track the IMIP collection status. Once the file is generated and sent to the Accounting Module, the batch status (Sent to GL) is updated to indicate that the transaction has been sent to the Accounting Module.
3. The Accounting Module processes the file, records the IMIP receivable transactions and sends a response file to the Servicing Module. The Servicing Module processes the response file from the Accounting Module and updates the batch status (Success – Collect).
4. The Accounting Module processes the IMIP receivable and generates a non interactive-batch file per Treasury Pay.gov's specification. The file is sent to Pay.gov for collection. Upon posting the collection by pay.gov, the deposit is recorded in the Accounting Module.
5. The Accounting Module will send the IMIP collection confirmation to the Servicing Module via an interface file. The Servicing Module processes this file and the batch status is updated to Settled and case status to Pending Endorsement. This completes the IMIP collections processing in HERMIT.
6. The Servicing Module sends the IMIP collection confirmation to CHUMS via a daily interface file. CHUMS will endorse the cases based on their endorsement process and will send the endorsed cases to Servicing Module. Upon processing this information, case status in Servicing Module is updated to Endorsed.

4.4.1 Verifying IMIP Collection Status

To verify IMIP collection status on a Pending IMIP Payment case:

Step 1. Select the **Accounting->Premiums (IMIP)** tab.

Step 2. Enter the FHA case# and click **Search**. The FHA case is displayed along with batch details. Batch id is displayed along with the batch status. For the next step, please note down the batch id.

Step 3. Select the **Accounting -> Transmittals** tab. Enter the batch id and click **Search**. The results are displayed under the **Transmittals Search Results** section.

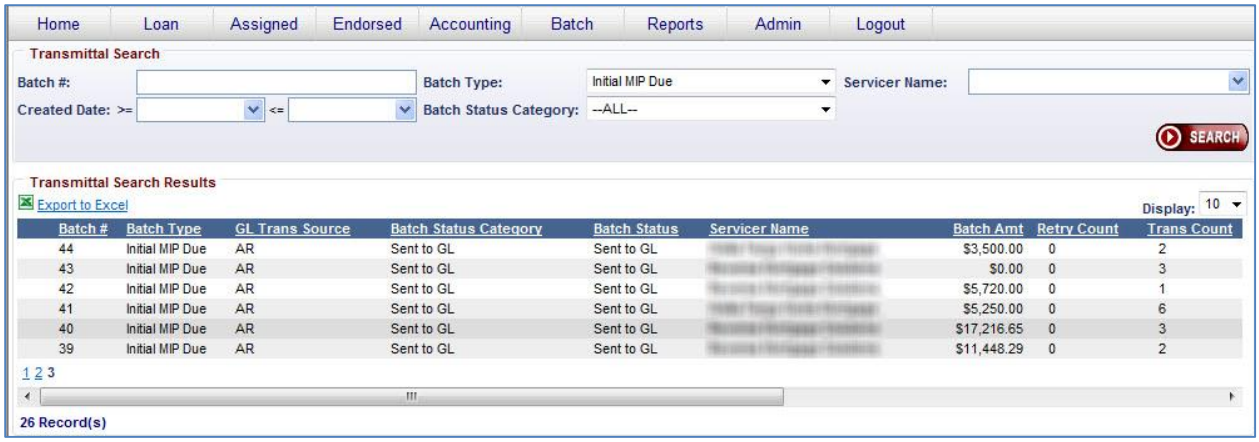


Figure 4-6: Transmittal Search Results for Initial IMIP Due

Step 4. Select the batch id from the results to view the **Batch Details** screen. This screen displays the IMIP transaction details for the associated FHA case number(s).

Step 5. The IMIP collection status can be viewed through the Daily IMIP Transaction Report from the Reports tab. Refer to Section 9.5 for report generation instructions.

4.5 Refunds

This section covers the refund transactions initiated manually by the lender/servicer during or after loan setup, refund transactions initiated automatically by the system for canceled loans, and refunds payment processing in HERMIT (Servicing and Accounting Modules) system.

4.5.1 Refund of Late Charges and Penalty Interest

The Servicing Module allows the lender/servicer to manually request a refund of late charges/penalty interest, if any, during loan setup or after loan setup. Some of the reasons to request a refund are:

- Any penalty adjustments
- Invalid MCA sent from CHUMS
- Erroneous closing date was entered and corrected

Late charges and penalty interest cannot be refunded separately. The system generates a single transaction for loan setup charges, and penalty interest.

Upon initiation of the refund request, the HUD Single Family Premiums Manager reviews the request and may approve or deny the refund request. If a refund is approved, the system generates the refund transaction on the loan and transmits the refund request to the Accounting Module for refund disbursement.

4.5.1.1 Requesting a Refund of Late Charges and Penalty Interest During Loan Setup

To request a refund:

Step 1. Select the **Loan** tab.

Step 2. Enter the FHA case# of the loan. Click Search.

Step 3. Click Setup link beside the loan displayed under the Loan Search Results section.

Step 4. The **Loan Setup** screen is displayed.

Step 5. Enter a closing date under the **Loan Dates** section (This date must be 15 days prior to the current date for the late charge occurrence or 30 days prior to current date for occurrence of penalty interest.) for the **Late Charge and Penalty Interest** section to be displayed at the bottom of the screen.

Step 6. Select the **Refund Request** checkbox.

Step 7. Select a **Refund Reason** and optionally enter the **Refund Comments**.

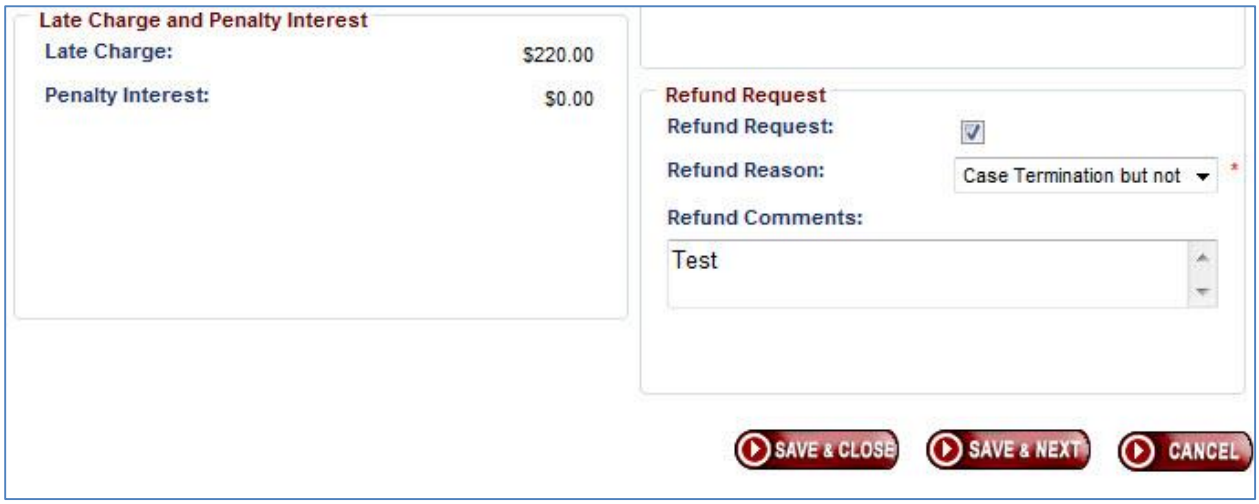


Figure 4-7: Loan Setup Screen - Refund Request Section

Step 8. Complete the loan setup of the case, by entering all other required details. Click **Save & Next**.

Step 9. The refund request is added on the loan and displayed on the **Refunds** screen under **Accounting** tab with a status of Pending.

Step 10. The HUD SF Premiums Manager can now select the loan and approve or deny the refund.

4.5.1.2 Requesting a Refund of Late Charges and Penalty Interest After Loan Setup

To request a refund:

Step 1. Select the **Loan** tab.

Step 2. Enter the FHA case# of the loan. Click Search.

Step 3. Select the loan displayed under the Loan Search Results section.

Step 4. The Loan Balance screen is displayed.

Step 5. Select the Servicer Request from the vertical menu options on the left hand of the screen.

Step 6. Select a Refund Reason and optionally enter the Refund Comments under the Refund Request section. Click Submit to save the changes.

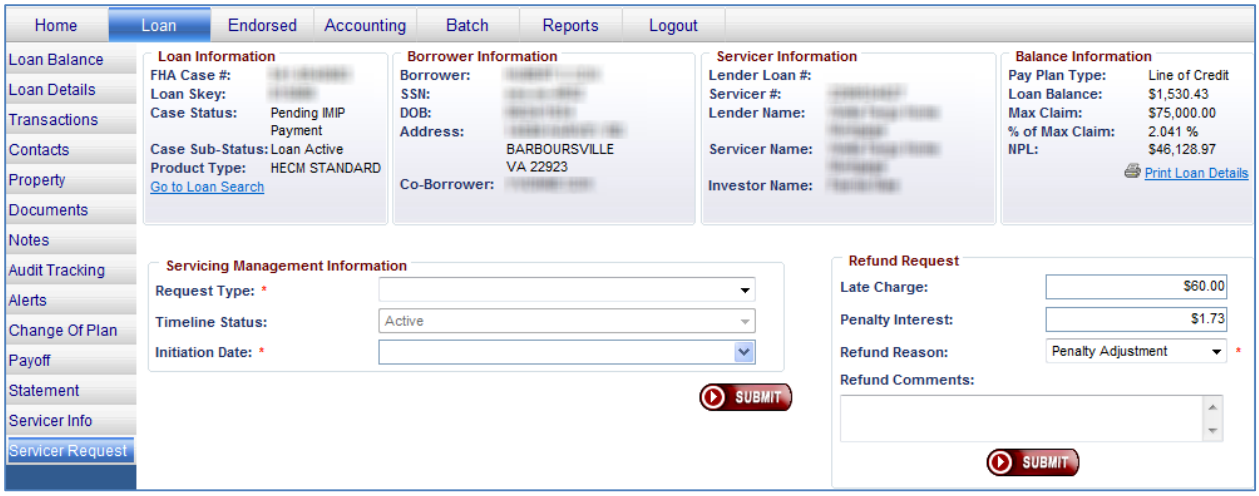


Figure 4-8: Refund Request after Loan Setup

Step 7. The refund request is added on the loan and displayed on the **Refunds** screen under **Accounting** tab with a status of **Pending**.

Step 8. The HUD SF Premiums Manager can now select the loan and approve or deny the refund.

4.5.2 Automatic Refund of MIP, Late Charges, and Penalty Interest – Cancellation from CHUMS

The system updates the case status to Cancelled, when a cancellation record is received from CHUMS via the daily interface file. The system automatically generates the refund transaction on the loan for any mortgage insurance premium (IMIP and MMIP) collected on the loan and any late charges or penalty interest associated with the MIP collection. In addition, the system updates loan balance on the loan to zero dollars and the payment status of the loan to Payment Suspended (displayed on the Loan Balance screen).

The refund transactions automatically generated by the system on Cancelled loan do not require approval from HUD SF Premiums Manager. Refund request of MMIP cannot be initiated manually in Servicing Module.

To view a refund transaction on Cancelled loan:

Step 1. Select the **Loan** tab.

Step 2. Enter the FHA case# of the cancelled loan. Click **Search**.

Step 3. Select the loan displayed under the **Loan Search Results** section.

Step 4. The **Loan Balance** screen is displayed.

Step 5. Select the **Loan Transactions** under the **Transactions** menu option.

Step 6. An adjustment transaction **Loan Setup – Adj** displaying the refund amount is displayed in the **Loan Transaction Results** section.

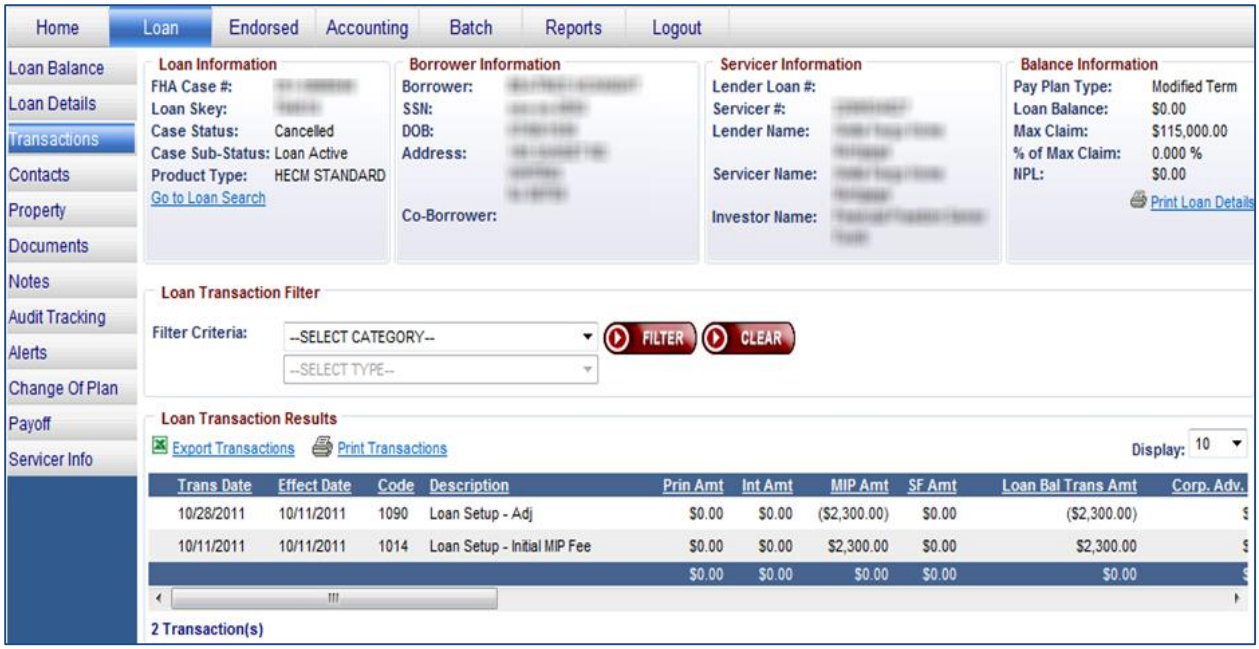


Figure 4-9: Refund Transaction on Cancelled Loan

4.5.3 Approving or Denying a Refund

The Servicing Module allows the HUD SF Premiums Manager to review the Pending refund requests for late charges and penalty interest and approve/deny the request.

To approve or deny a refund request:

Step 1. Select the Accounting->Refunds tab.

Step 2. Enter the FHA case # or select Refund Status of Pending.

Step 3. Click Search.

Step 4. Select a case from the **Refund Search Results** section to approve or deny the request.

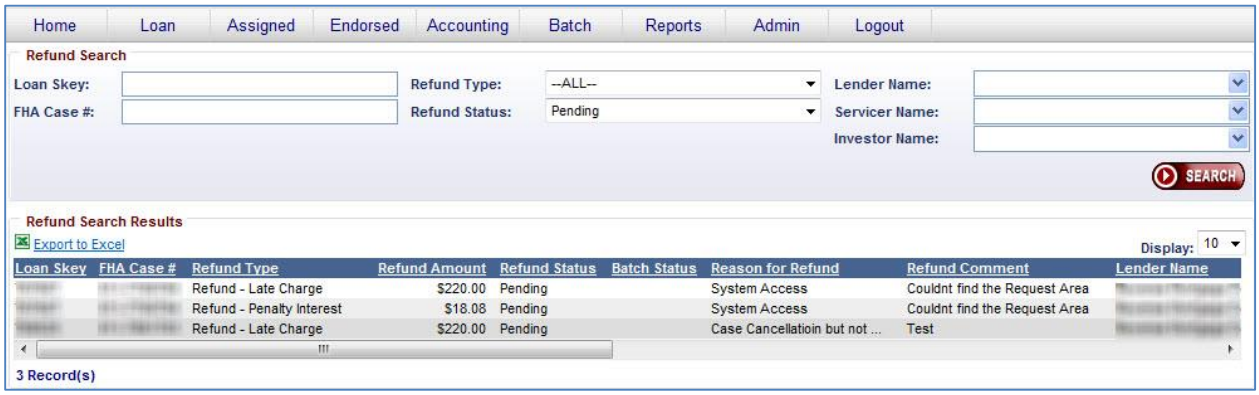


Figure 4-10: Accounting Refund Screen

Step 5. On the **Refund Information** window, select Approved or Denied values from the **Refund Status** dropdown box. Optionally add Appr/Deny Reason and Refund Comments. Click **Submit** to save the changes. To exit the window without saving the changes, click **Cancel**.

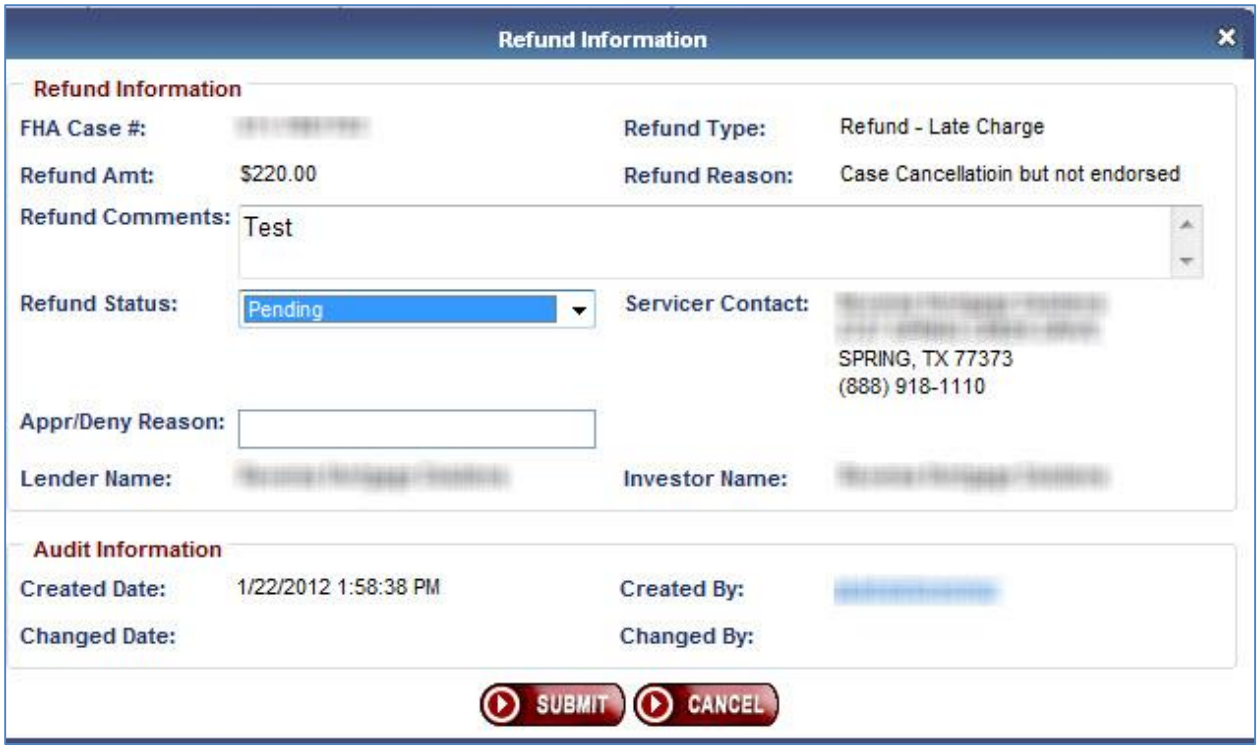


Figure 4-11: Refund Information Window

Step 6. The Refund Status is updated to Approved/Denied based on the selection in previous step.

4.5.4 Processing Refund Disbursements

This section explains the refund disbursements processing in HERMIT (Servicing and Accounting Modules) system.

1. The Servicing Module generates the refund transaction when a refund is approved or a loan is cancelled. The refund payable requests are sent to the Accounting Module for refund disbursements via an interface file.
2. The Accounting Module processes the refund payable requests and notifies the Servicing Module of the successful disbursement through an interface file.
3. The Servicing Module processes this file and the batch status of the refund disbursement is updated to Disbursed. This completes the refunds disbursement processing in HERMIT.

CHAPTER 5: GENERAL SERVICING (PRE ENDORSED/ENDORSED)

5. GENERAL SERVICING (PRE ENDORSED/ENDORSED)

This chapter discusses general servicing for loans that are in Pre Endorsed and Endorsed case statuses:

- **General Servicing Overview**
- **Loan Search**
- **Loan Balance**
- **Loan Details**
- **Transactions**
- **Contacts**
- **Property**
- **Documents**
- **Notes**
- **Audit Tracking**
- **Alerts**
- **Change of Plan**
- **Payoff**
- **Statement**
- **Servicer Info**
- **Servicer Request**
- **Bank Account**
- **Accounting**
- **Batch**

5.1 General Servicing Overview

The Servicing Module enables FHA-approved lenders/servicers to perform day-to-day management of HECM Cases such as performing change-of-payment plans, unscheduled disbursement transactions, adding scheduled disbursements, IMIP adjustments, transactions related to repair set asides, updating contact information etc. This chapter describes in detail all the general servicing functionalities that can be performed by the lender/servicers for Pre Endorsed and Endorsed case statuses.

5.2 Loan Search

The Loan Search screen enables users to search loans, review and edit the loan information.

5.2.1 Search Criteria

Loan records can be retrieved using various combinations of search criteria. In general,

- Enter more search criteria to retrieve more specific search results, but fewer loan records
- Enter fewer search criteria to retrieve a larger number and broader range of loan records
- Basic search criteria include FHA case # and case status

5.2.2 Searching for a Loan

To search for a loan, please refer to **Chapter 2**.

5.2.3 Loan Search Results

To view and navigate the loan search results, please refer to **Chapter 2**.

5.3 Loan Balance

When the user selects a loan from the Loan Search Results section, the Loan Balance screen is displayed. This screen allows the user to view the loan balance information. The information displayed on this screen is received from CHUMS or recorded/derived during the loan setup process. This screen also allows the authorized user to activate or suspend payments made to the borrower based on the roles and permissions enabled for the users. If a critical alert exists on the loan, then Critical Alerts window is displayed on the Loan Balance screen. Click **OK** to view the Loan Balance screen.

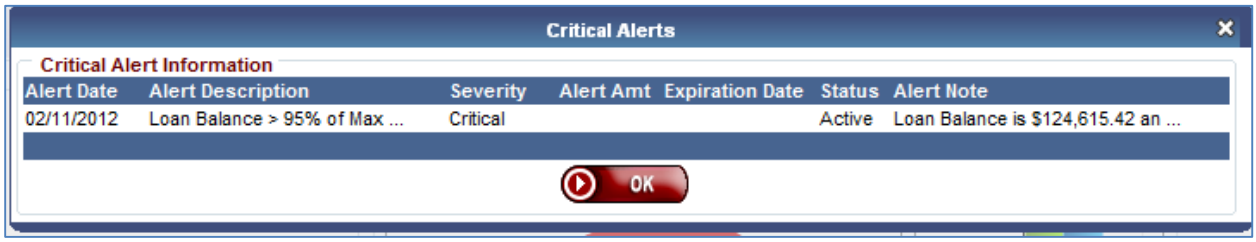


Figure 5-1: Critical Alerts Window

The Loan Balance screen displays the following data sections:

- Header section - Loan/Borrower/Servicer/Balance Information
- Principal Limit Calculation
    - The Current Principal Limit (CPL), which is part of the Principal Limit Calculation, is calculated at the first month by taking the Original Principal Limit and adding the current month's growth (if any) to determine the CPL. In subsequent month's, the CPL is determined by taking the previous month's CPL and adding the current month's growth.
- Loan Balance Information (represented as pie chart and bar graph)
- Other Balances
- Payment Plan Information (Editable): The plan can be activated/suspended using this function
- Fees
- Credit Line Set Aside Information
- Audit Information

Figure 5-2: The Loan Balance Screen

The header screen displays the following links:

- **Go to Loan Search:** This link navigates the user back to the Loan Search screen. When navigated back to the Loan Search screen, the results from the previous search criteria are displayed
- **Go to Parent Loan:** This link is displayed when the product type of the loan is HECM – Refinance, HECM Standard - Refinance or HECM Saver – Refinance. This link navigates the user to the Loan Balance screen of the parent loan.
- **Print Loan Details:** This link allows the user to generate Loan Summary in a PDF file that can be saved or printed. It contains the following data sections:

- Loan Identifiers
- Loan Dates
- Borrower & Property Information
- Loan Rates
- Principal Limit Calculation
- Payment plan Information
- Credit Line Set Aside Information
- Servicer Information

5.3.1 Activating or Suspending Payments

To activate or suspend payments:

Step 1. Click **Edit** in the Payment Plan Information section on the Loan Balance screen.

Figure 5-3: Payment Plan Information Section

Step 2. On the **Edit Payment Plan** window, select Active Payments or Payment Suspended from the **Payment Status** dropdown.

- If the Payment Suspended option is selected - the case sub-status is updated to Payment Suspended and a critical alert is added on the loan
- If Active Payments is selected then the case sub-status is updated accordingly. The Payment Suspended critical alert becomes inactive once the active payment option is selected

Step 3. To change the responsible party for tax payments, select Borrower or Servicer from the **Tax Ins Responsible Party** dropdown.

Step 4. Click **Submit** to save the changes. The changes will be displayed on the **Loan Balance** screen. To exit the window without saving the changes select **Cancel.**

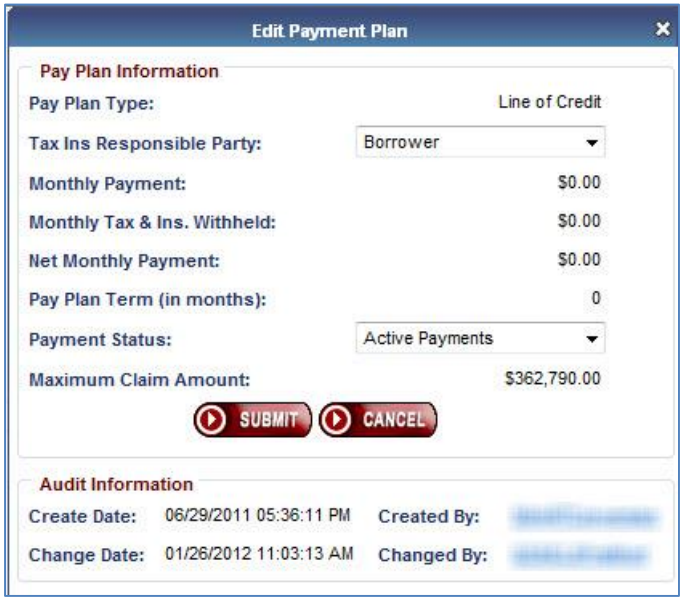


Figure 5-4: Edit Payment Plan Window

5.3.2 Viewing Audit Information

The Audit Information section is displayed in the lower left corner of the Loan Balance screen. This section displays the date and user that modified the fields within the Pay Plan Information section.

To view details of the user that updated the information:

Step 1. Click Changed By link under the Audit Information section.

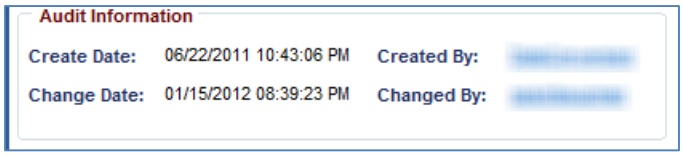


Figure 5-5: Loan Balance Screen - Audit Information Section

Step 2. A **User Information** window is displayed with the contact details of the user. Click **OK** to exit the window.

Figure 5-6: User Information Window

5.4 Loan Details

The Loan Details screen is displayed when a user selects the Loan Details tab from the menu options on the left side of the screen. The information displayed on this screen is received from CHUMS or recorded during the loan setup process. This screen also allows the authorized user to edit the data fields.

The Loan Details screen displays the following data sections:

- Header section - Loan/Borrower/Servicer/Balance Information
- Loan Rates
- Loan Dates
- Loan Identifiers
- 2nd Mortgage/DOT
- 1st Mortgage/DOT
- Audit Information

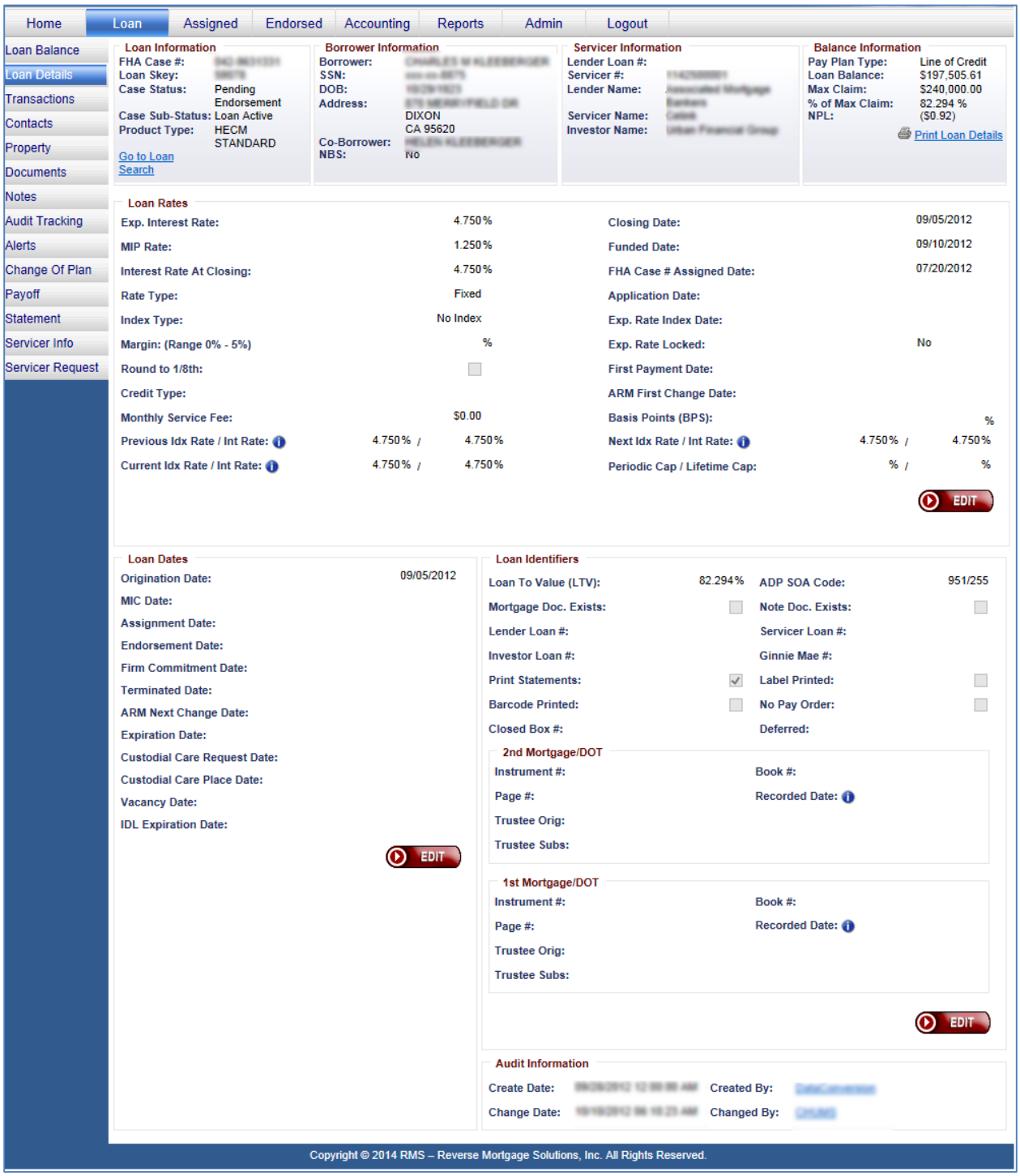


Figure 5-7: Loan Details Screen

5.4.1 Editing Loan Rates

To edit fields in Loan Rates section:

Step 1. Click **Edit** in the Loan **Rates** section on the **Loan Details** screen.

Step 2. On the **Edit Loan Rates** window, edit the fields as needed.

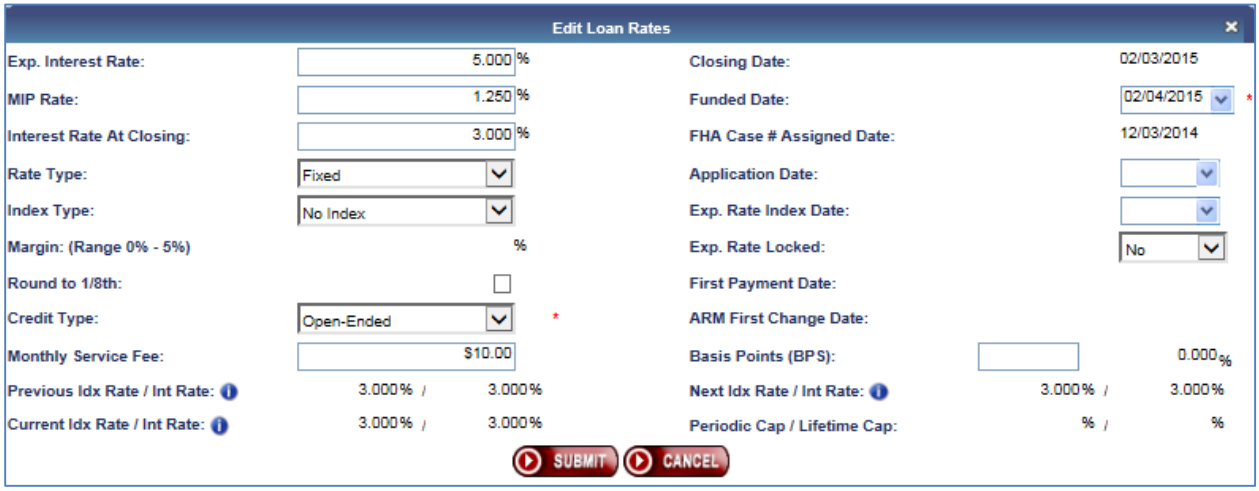


Figure 5-8: Edit Loan Rates Window

Step 3. Click **Submit** to save the changes. The changes will be displayed on the **Loan Details** screen. To exit the window without saving the changes select **Cancel.**

5.4.2 Editing Loan Dates

To edit fields in Loan Dates section:

Step 1. Click **Edit** in the **Loan Dates** section on the **Loan Details** screen.

Step 2. On the **Edit Loan Dates** window, edit the fields as needed.

Figure 5-9: Edit Loan Dates Window

Step 3. Click **Submit** to save the changes. The changes will be displayed on the **Loan Details** screen. To exit the window without saving the changes select **Cancel.**

5.4.3 Editing Loan Identifiers

To edit fields in Loan Identifiers section:

Step 1. Click **Edit** in the **Loan Identifiers** section on the **Loan Details** screen.

Step 2. On the Edit Loan Identifiers window, edit the fields as needed. Only authorized user roles with this permission to edit the No Pay Order checkbox will be able to edit this field.

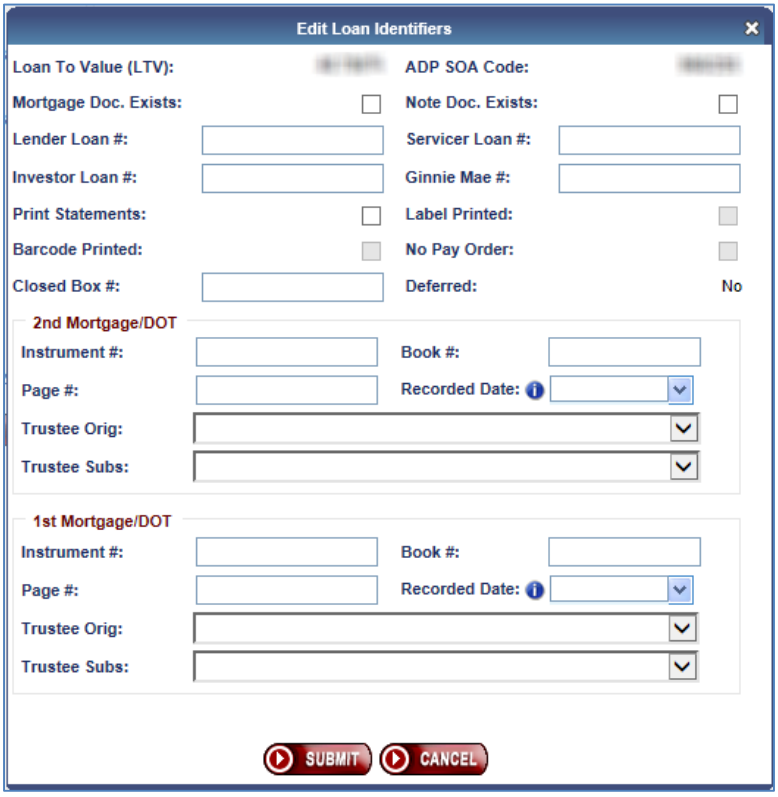


Figure 5-10: Edit Loan Identifiers Window

Step 3. Click **Submit** to save the changes. The changes will be displayed on the **Loan Details** screen. To exit the window without saving the changes select **Cancel.**

5.4.4 Viewing Audit Information

The Audit Information section is displayed in the lower right corner of the Loan Details screen. This section displays the date and user that modified the fields within any of the data sections.

To view details of the user that updated the information:

Step 1. Click Changed By link under the Audit Information section.

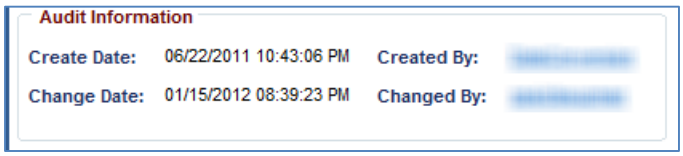


Figure 5-11: Audit Information Section on Loan Details Screen

Step 2. A User Information window is displayed with the contact details of the user. Click **OK** to exit the window.

Figure 5-12: User Information Window

5.5 Transactions

The Loan Transactions screen is displayed when a user selects the Transactions tab from the menu options on the left side of the screen. This screen allows authorized users (example: lenders/servicers) to report transaction activities on a loan.

The transactions tab has four sub-menu options:

- Loan (Corp Advances, Disbursements, Monthly Accruals, Refunds, Repays, Termination, IMIP Adjustments, Write-off etc.)
- Growth (for example: Principal Limit and Line of Credit transactions etc.)
- Set Asides (for example: 1st Year Taxes and Insurance and Repair etc.)
- Claims (for example: Claim Type 21, Claim Type 22, Claim Type 23, Claim Type 24 etc.)

5.5.1 Transactions – Loan

This screen displays all the loan transactions associated with the loan. This screen allows the user to perform the following functions:

- **Loan Transaction Filter:** Enables the user to filter and view specific transactions within a transaction category
- **New Transactions:** Enables the authorized user to add transactions on the loan
- **IMIP Adjustment:** Enables an authorized user to adjust the IMIP amount between the Lender and Borrower.
- **Write-off:** Enables an authorized user to perform partial write-off on the loan balance
- **Balance Adjustment:** Allows the authorized user to adjust the loan balance

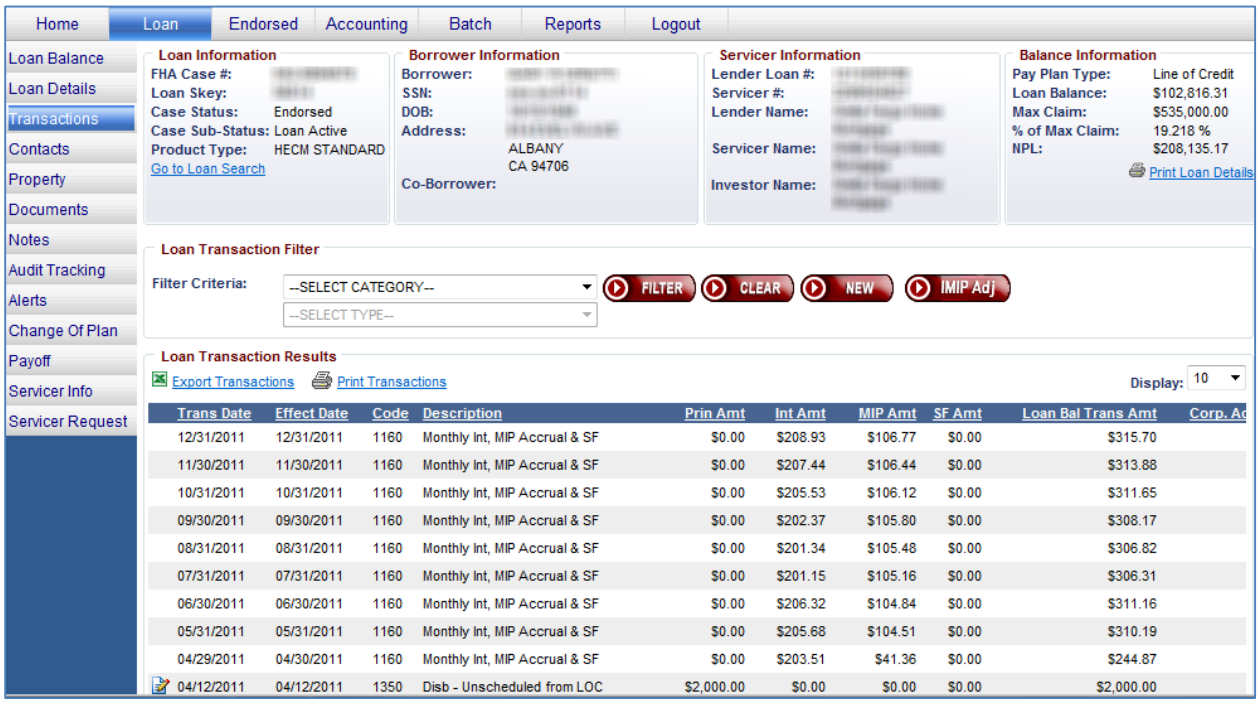


Figure 5-13: Loan Screen - Transactions

5.5.1.1 Transactions - Loan Filter Categories

The Loan Transaction Filter section of the Transactions - Loan screen allows authorized users to apply filters and view selected transactions within the selected transaction category. The transactions can be filtered by the following categories:

- Corporate advances
- Disbursements
- Fees
- Closing costs
- Loan setup – loan balance
- Monthly accruals
- Refunds
- Repayments
- Terminations
- Writeoffs

The table below provides the list of data fields and descriptions displayed under the Transactions – Loan Filter section.

Field	Description
Trans Date	The date transaction is posted in the Servicing Module either manually or through B2G.
Effect Date	The date the payment was made by the Lender/Investor for the incurred expense (Example: The date payment was made to the contractor for lawn mowing or the date the Taxes were paid to the Tax Authority).
Code	A 4 digit unique transaction code assigned by the system for a specific transaction.
Description	Short description of the transaction.
Prin Amt	The principal amount associated with the transaction.
Int Amt	The interest amount associated with the transaction.
MIP Amt	The Mortgage Insurance Premium amount associated with the transaction.
SF Amt	The Service fee amount associated with the transaction.
Loan Bal Trans Amt	Sum of principal, interest, MIP and service fee amount.
Corp Adv Amt	Transaction amount associated with the Corp Advance expense paid by the Lender/Investor.
%Recoverable	The percentage of the transaction amount that can be recovered by the Lender/Investor.
Recoverable Amt	The transaction amount which is recoverable by the Lender/Investor for Corp Advance transactions.
Late Charge Amt	The late charge amount associated with the transaction. Example: A late charge will be applied when the loan setup is not performed within 15 days of the closing date.
Penalty Int Amt	The penalty interest associated with the transaction. Example: A penalty interest will be applied when the loan setup is not performed within 30 days of the closing date.
Trans Total	Sum of loan balance, late charge and penalty interest amount.
Lender	Lender associated with the loan.
Servicer	Servicer associated with the loan.
Investor	Investor/holder associated with the loan.
Incurred Date	This is the date the expense was incurred by the Lender/Investor. Example: The date the lawn mowing service was completed or the date the taxes payments were missed/due. This field is required for the following transaction categories: • Corp Advance Sections 305, 306, 307, 308, 309, 310 and 409. • Corp Advance - Property Preservation • Property Charges Pre D&P
P & P Approved	This checkbox indicates whether the P&P transaction is approved by HUD.

Field	Description
One Time Expense	This checkbox indicates whether the P&P transaction is a one-time expense. One-time expenses are not added to the maximum allowable P&P limit.
Prev. Approved	This checkbox indicates whether the P&P transaction was previously approved.
Max. Approved	This checkbox indicates whether the P&P transaction amount is within the maximum allowable limit. HUD approval is not required if this box is checked.
Created By	The user name who initiated the transaction.
Create Date	The date and time the transaction is recorded in the system.

Table 5-1: Loan Screen - Transactions

To filter the transactions by transaction category:

Step 1. Select the **Transaction Category** from the dropdown.

Step 2. Select the Transaction Type from the dropdown (if needed).

Step 3. Click Filter to view the filtered transactions under the Loan Transactions Results section. No results are displayed if no transactions match the filter criteria entered by the user.

Step 4. Click Clear to clear the selected filters and view all transactions.

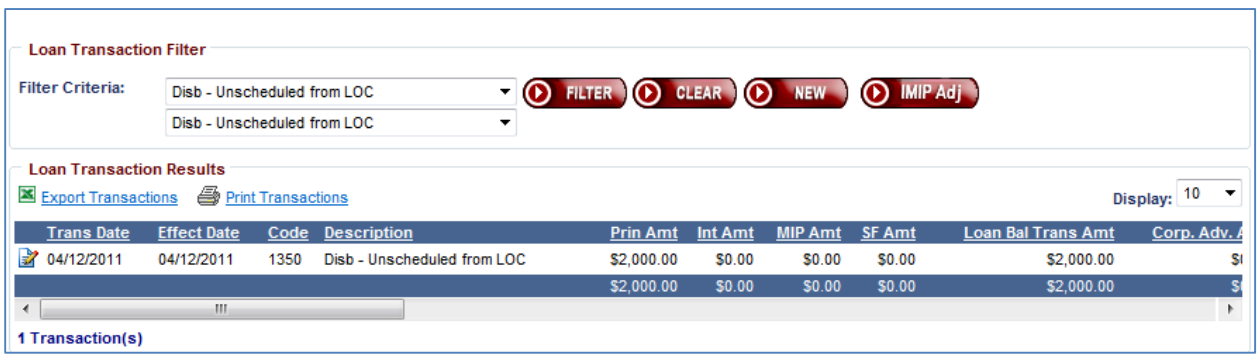


Figure 5-14: Loan Transactions Filter and Results Section

5.5.1.2 Creating a New Loan Transaction

To create a new transaction:

Step 1. Click New on the Transactions - Loan screen.

Step 2. On the New Loan Transaction window, populate the below listed required fields:

- Transaction Category
- Transaction Type
- Effective Date
- Transaction Amount

Additional data fields are displayed on the New Loan Transaction window depending on the selected transaction category.

Step 3. Click Submit. The new transaction is displayed in the Loan Transaction Results section. To exit the window without adding the transaction click Cancel

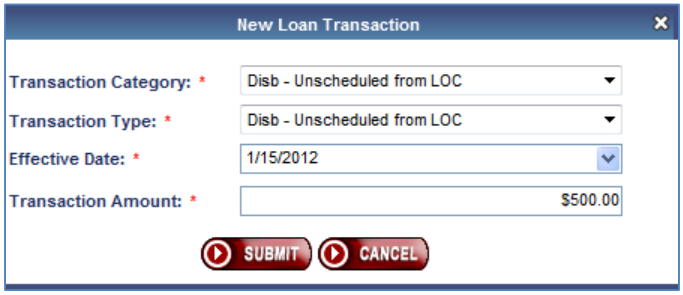


Figure 5-15: New Loan Transaction Window

Transaction categories in the New Loan Transaction window:

Transaction Category	Description
Corporate Advances	Transactions within this category are initiated by the servicer to report any expenses incurred by Lender/Investor for any disbursements made on behalf of Borrower/Mortgagor after the loan becomes Due and Payable. These transactions do not affect Loan Balance.
Disbursements (Unscheduled Advances, Scheduled Disbursements and Property Charges Pre D&P)	Transactions within this category are initiated by the servicer to perform any disbursements on behalf of the Borrower/Mortgagor which include unscheduled advances, scheduled disbursements and property charges pre D&P (ML 2011-01). These transactions affect Loan Balance.
Fees	Transactions within this category are generated by the Servicing Module to indicate any change of plan fees incurred by the borrower when a change of plan is performed on the loan. These transactions do not affect Loan Balance.
HUD-1 Closing Costs	Transactions within this category are initiated by the servicer to report HUD -1 closing costs either due by a borrower or owed to the borrower. These transactions do not affect Loan Balance.
Monthly Accruals	Transactions within this category are generated by the Servicing Module to display the monthly accruals Interest amount, MIP amount, and Service Fee amount on the loan for each month. These transactions affect Loan Balance.
Refunds	Transactions within this category are initiated by the servicer to request refund of the overage amount to the borrower. These transactions affect Loan Balance.
Repays	Transactions within this category are initiated by the servicer (on-behalf of a borrower) to repay a partial amount to reduce the current unpaid loan balance. These transactions affect Loan Balance.
Terminate	Transactions within this category are initiated by the servicer to terminate a loan and provide a reason for termination. These transactions affect Loan Balance.

Table 5-2: Transaction Categories

The below sections provide the detailed instructions for creating new transactions associated with the transaction categories listed in the above table.

5.5.1.3 Corporate Advance Transactions

To create a new corporate advance transaction:

Step 1. Click New on the Transactions - Loan screen.

Step 2. On the **New Loan Transaction** window, select one of the following transaction categories:

- Corp Advance – Section 305 Disbursements
- Corp Advance – Section 306 Disbursements
- Corp Advance – Section 307 Disbursements
- Corp Advance – Section 308 Disbursements
- Corp Advance – Section 309 Disbursements
- Corp Advance – Section 310 Disbursements
- Corp Advance – Section 409 Disbursements

Step 3. Populate the below listed required fields (marked with red asterisk):

- Transaction Type
- Effective Date
- Incurred Date
- Transaction Amount

Step 4. Click **Submit.** The new transaction is displayed in the **Loan Transaction Results** section. To exit the window without adding the transaction click **Cancel**.

Figure 5-16: New Corporate Advance Transaction

Step 5. To adjust the Corp Advance transaction, select the document icon beside the transaction, on the Adjust Loan Transaction window, click **Submit** to reverse the transaction.

Step 6. A new Corp Advance adjustment transaction is added and displayed under the Loan Transactions Results section reflecting the reversed amount.

The table below lists all the allowable Corp Advance transactions that can be manually created using the New Loan Transactions window.

Category	Transaction	Description
Corp Advance Section - 305	**Flood Insurance**	Initiated by the servicer to report the expense incurred by the lender/investor for flood insurance premiums on the mortgaged property. This transaction applies to all pay plan types.
	Hazard Insurance	Initiated by the servicer to report the expense incurred by the lender/investor for hazard insurance premiums on the mortgaged property. This transaction applies to all pay plan types.
	Taxes	Initiated by the servicer to report the expense incurred by the lender/investor for taxes that are liens prior to the mortgage. This transaction applies to all pay plan types.

Category	Transaction	Description
	Utilities	Initiated by the servicer to report the expense incurred by the lender/investor for utilities that are liens prior to the mortgage. This transaction applies to all pay plan types.
	Eviction Fees	Initiated by the servicer to report the expense incurred by the lender/investor for eviction in the event of foreclosure proceedings. This transaction applies to all pay plan types.
	Ground Rent	Initiated by the servicer to report the expense incurred by the lender/investor for ground rent that are liens prior to the mortgage. This transaction applies to all pay plan types.
	Condominium Dues	Initiated by the servicer to report the expense incurred by the lender/investor for the condominium dues. This transaction applies to all pay plan types.
	HOA Dues	Initiated by the servicer to report the expense incurred by a lender/investor for the administration, operation, maintenance or repair of the community owned property. This transaction applies to all pay plan types.
	Other	Initiated by the servicer to itemize other expenses incurred by a lender/investor in this category. This transaction applies to all pay plan types.
	Repayment	Initiated by the servicer to report repayments by the borrower within the transaction category Section 305. This transaction applies to all pay plan types.
Corp Advance Section - 306	**Attorney Fees**	Initiated by the servicer to report the expense incurred by the lender/investor for the attorney fee to vest title of the property in the name of the successful bidder. This transaction applies to all pay plan types.
	Trustee Fees	Initiated by the servicer to report the expense incurred by the lender/investor for the trustee fee to vest title of the property in the name of the successful bidder. This transaction applies to all pay plan types.
	Other For Endorsed Loans	Initiated by the servicer to itemize other expenses incurred by the lender/investor in this category. This transaction applies to all pay plan types.
	Repayment For Endorsed Loans	Initiated by the servicer to report repayments by the borrower within the transaction category Section 306. This transaction applies to all pay plan types.
Corp Advance Section - 307	**Title Examination Fees**	Initiated by the servicer to report the expense incurred by the lender/investor for title search. This transaction applies to all pay plan types.
	Recording Fees	Initiated by the servicer to report the expense incurred by the lender/investor for recording fees in foreclosure proceedings. This transaction applies to all pay plan types.
	Sheriff Fees	Initiated by the servicer to report the expense incurred by the lender/investor for sheriff fees in foreclosure proceedings. This transaction applies to all pay plan types.

Category	Transaction	Description
	Other	Initiated by the servicer to itemize other expenses incurred by the lender/investor in this category. This transaction applies to all pay plan types.
	Repayment	Initiated by the servicer to report repayments by the borrower within this transaction category. This transaction applies to all pay plan types.
Corp Advance Section - 308	**State Taxes on Deed**	Initiated by the servicer to report the expense incurred by the lender/investor for taxes imposed upon any deed or other options by which the property was acquired by a successful bidder. This transaction applies to all pay plan types.
	Other Taxes on Deed	Initiated by the servicer to itemize other expenses incurred by the lender/investor in this category. This transaction applies to all pay plan types.
	Repayment	Initiated by the servicer to report repayments by a borrower within the transaction category section 308. This transaction applies to all pay plan types.
Corp Advance Section - 309	**Liens Paid**	Initiated by the servicer to report the expense incurred by a lender/investor for special assessments liens.
	Other	Initiated by the servicer to itemize other special assessment expenses incurred by a lender/investor in this category. This transaction applies to all pay plan types.
	Repayment	Initiated by the servicer to report repayments by a borrower within the transaction category section 309. This transaction applies to all pay plan types.
Corp Advance Section - 310	**Bnk Attorney Fees**	Initiated by the servicer to report the expense incurred by a lender/investor for attorney fees due to bankruptcy proceedings. This transaction applies to all pay plan types.
	Other	Initiated by the servicer to itemize other bankruptcy expenses incurred by a lender/investor in this category. This transaction applies to all pay plan types.
	Repayment	Initiated by the servicer to report repayments by a borrower within the transaction category section 310. This transaction applies to all pay plan types.
Corp Advance Section - 409	**Appraisal Fees**	Initiated by the servicer to report the expense incurred by the Lender/Investor for appraisal fees. This transaction applies to ALL pay plan types.
	Other	Initiated by the Servicer to itemize other appraisal fee incurred by the Lender/Investor in this category. This transaction applies to ALL pay plan types.
	Repayment	Initiated by the Servicer to report repayments by the borrower within this transaction category. This transaction applies to ALL pay plan types.

Table 5-3: Corp Advance Transactions

5.5.1.4 Corp Advance – Property Preservation

To create a new property preservation transaction:

Step 4. Click **New** on the **Transactions - Loan** screen.

Step 5. On the **New Loan Transaction** window, select Corp Advance – Property Preservation from the Transaction Category dropdown.

Step 6. On the **New Preservation & Protection Transaction** window, populate the below listed required fields (marked with red asterisk):

- Transaction Type
- Effective Date
- Incurred Date
- Transaction Amount

> If the transaction amount exceeds the allowable limit, system will display a validation message forcing the user to initiate the P&P timeline. Refer to **Chapter 7** for instructions on initiating the P&P timeline and receiving HUD approval.

Step 7. On the **New Preservation & Protection Transaction** window, populate the below listed optional checkboxes:

- **One Time Expense** – Check this to indicate a one-time expense, these are not added to the maximum allowable P&P limit.
- **Previously Approved**– Check this to indicate expense was previously approved.
- **Max. P&P Allowance**– Check this to indicate if transaction amount is within the maximum allowable P&P limit.

Step 8. Click **Submit**. The new transaction is displayed in the **Loan Transaction Results** section. To exit the window without adding the transaction click **Cancel**. To navigate back to other transaction categories click **Back**.

Figure 5-17: New Preservation & Protection Transaction Window

Step 9. To adjust the P&P transaction, select the **document icon** beside the transaction, on the **Adjust Loan Transaction** window, click **Submit** to reverse the transaction.

Step 10. A new P&P adjustment transaction is added and displayed under the **Loan Transactions Results** section reflecting the reversed amount.

The table below lists all the Corp Advance - Property Preservation transactions that can be manually created using the New Preservation & Protection Transaction window.

Transaction	Description
Boarding	Initiated by the servicer to report the expense incurred by Lender/Investor for boarding of the mortgaged property as part of preservation and protection activity. This transaction applies to all pay plan types.
Remove Debris	Initiated by the servicer to report the expense incurred by Lender/Investor for removal of debris on the mortgaged property as part of preservation and protection activity. This transaction applies to all pay plan types.
Hazard Abate	Initiated by the servicer to report the expense incurred by Lender/Investor for abatement of any hazards on the mortgaged property as part of preservation and protection activity. This transaction applies to all pay plan types.
Utilities	Initiated by the servicer to report the expense incurred by Lender/Investor for utility charges on the mortgaged property as part of preservation and protection activity. This transaction applies to all pay plan types.
Prop Inspect	Initiated by the servicer to report the expense incurred by Lender/Investor for property inspection charges on the mortgaged property as part of preservation and protection activity. This transaction applies to all pay plan types.
Landscape	Initiated by the servicer to report the expense incurred by Lender/Investor for landscaping charges on the mortgaged property as part of preservation and protection activity. This transaction applies to all pay plan types.
Roof Repair	Initiated by the servicer to report the expense incurred by Lender/Investor for roof repairs on the mortgaged property as part of preservation and protection activity. This transaction applies to all pay plan types.
Other Repair	Initiated by the servicer to report the expense incurred by Lender/Investor for other repairs on the mortgaged property as part of preservation and protection activity. This transaction applies to all pay plan types.
Winterizing	Initiated by the servicer to report the expense incurred by Lender/Investor for winterizing of the mortgaged property as part of preservation and protection activity. This transaction applies to all pay plan types.
Securing	Initiated by the servicer to report the expense incurred by Lender/Investor for securing of the mortgaged property as part of preservation and protection activity. This transaction applies to all pay plan types.
Other	Initiated by the servicer to report the expense incurred by Lender/Investor for other property and preservation activities on the mortgaged property. This transaction applies to all pay plan types.
Repayment	Initiated by the servicer to report repayments by the borrower within this transaction category. This transaction applies to all pay plan types.

Table 5-4: Corp Advance – Property Preservation Transactions

5.5.1.5 Disbursements

To create a new disbursement transaction:

Step 1. Click **New** on the **Transactions - Loan** screen.

Step 2. On the **New Loan Transaction** window, select one of the following transaction categories:

- Disb – 1st Year Taxes & Ins Set Aside
- Disb – Delinquent Taxes
- Disb – Repair Set Aside

- Disb –Taxes & Insurance withheld
- Unscheduled Disbursements
- Disb – Life Expectancy Set Aside

Step 3. Populate the below listed required fields (marked with an asterisk):

- Transaction Type
- Effective Date
- Transaction Amount

Step 4. Click **Submit**. The new transaction is displayed in the **Loan Transaction Results** section. To exit the window without adding the transaction click **Cancel**.

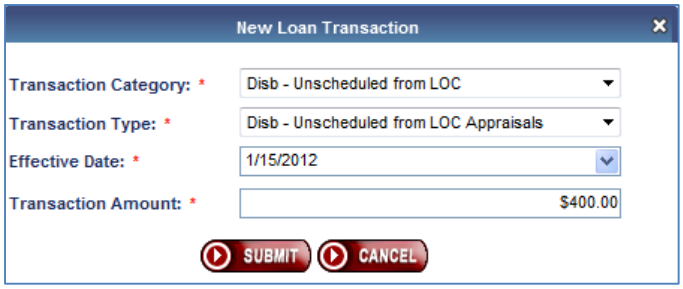


Figure 5-18: New Disbursement Transaction

Step 5. To adjust the Disbursement transaction, select the document icon beside the transaction, on the Adjust Loan Transaction window, click **Submit** to reverse the transaction.

Step 6. A new Disbursement adjustment transaction is added and displayed under the **Loan Transactions Result**s section reflecting the reversed amount.

The table below lists all the Disbursement transactions that can be manually created using the New Loan Transactions window.

Category	Transaction	Description
Disb - 1st Yr TI Set Aside	**Not Final**	Initiated by the servicer to make a disbursement from borrower's available 1st year taxes and insurance set aside amount. A servicer will be able to make these disbursements until all the 1st Yr TI set aside amount has exhausted (or) there is no Disb - 1st Yr TI Set Aside Final transaction. This transaction applies to ALL pay plan types.
	Final	Initiated by the servicer to make a disbursement from borrower's available 1st year taxes and insurance set aside amount. This will be a one-time transaction and servicer will not be able to make any Disb - 1st Yr TI Set Aside Not Final transaction once a final transaction has been made. This transaction applies to ALL pay plan types.
Disbursement - Delinquent Taxes	**Disbursement - Delinquent Taxes**	Initiated by the servicer (on-behalf of borrower) to make a disbursement for taxes, in case a borrower is delinquent on taxes. This transaction applies to pay plans Line Of Credit, Modified Term and Modified Tenure ONLY.
Disb - Repair Set Aside	**Not Final**	Initiated by the servicer to make a disbursement from borrower's set aside amount for any repairs on the mortgaged property. Servicer will be able to make these disbursements until all Repairs set aside Not Final amount

Category	Transaction	Description
		has exhausted (or) there is no Disb - Repair Set Aside Final transaction. This transaction applies to ALL pay plan types.
	Disb - Repair Set Aside Final	Initiated by the servicer to make a disbursement from borrower's repair set aside amount for any repairs on the mortgaged property. This will be a one-time transaction and servicer will not be able to make any Disb - Repair Set Aside Not Final transaction once a final transaction has been made. This transaction applies to ALL pay plan types.
Disbursement - Taxes and Insurance Withheld	**Disbursement - Taxes and Insurance Withheld**	Initiated by the servicer to make a disbursement for Taxes and Insurance from borrower's available taxes and insurance set aside balance. This transaction applies to ALL pay plan types.
Unscheduled Disbursements from LOC	**Other**	Initiated by the servicer (on-behalf of a borrower) to make an unscheduled disbursement from borrower's available line of credit. This transaction applies only to line of credit, modified term, and modified tenure pay plans.
	Inspections	Initiated by the servicer (on-behalf of a borrower) to make an unscheduled disbursement from line of credit for inspections on the mortgaged property. This transaction applies only to line of credit, modified term and modified tenure.
	Appraisals	Initiated by the servicer (on-behalf of borrower) to make an unscheduled disbursement from Line of Credit for appraisals on the mortgaged property. This transaction applies only to line of credit, modified term and modified tenure pay plan types.
	Prop Preserv	Initiated by the servicer (on-behalf of borrower) to make an unscheduled disbursement from Line of Credit for preservation and protection of the mortgaged property. Preservation and protection activities may include Repairs, Landscaping etc. This transaction applies to only to line of credit, modified term and modified tenure –pay plan types.
	Insurance	Initiated by the servicer to make an unscheduled disbursement from Line Of Credit to pay for the insurance of the mortgaged property on behalf of borrower. This transaction applies to all pay plan types.
	Taxes	Initiated by the servicer to make an unscheduled disbursement from Line Of Credit to pay for taxes on behalf of borrower. This transaction applies to all pay plan types.
Disb – Life Expectancy Set Aside	**Not Final**	Initiated by the servicer to make a disbursement from borrower's available Life Expectancy Set Aside (LESA) amount. A servicer will be able to make these disbursements until the entire LESA amount is exhausted. This transaction applies to ALL pay plan types.
	Final	Initiated by the servicer to make a disbursement from borrower's available Life Expectancy Set Aside (LESA)

Category	Transaction	Description
		amount. This will be a one-time transaction and servicer will not be able to make any Disb – Life Expectancy Set Aside Not Final transaction once a final transaction has been made. This transaction applies to ALL pay plan types.

Table 5-5: Disbursement Transactions

5.5.1.6 Disbursements – Property Charges Pre Due and Payable (D&P)

The Property Charges Pre D&P transaction is initiated by the lenders/servicers to make disbursements on behalf of borrower as noted in the Mortgagee Letter 2011-01. These transactions can be initiated ONLY when all the drawable equity on the loan is exhausted. If there is drawable equity on the loan, the lender/servicer must use appropriate transaction under the transaction category of Disb – Unscheduled from LOC or Disb – Delinquent Taxes. If the drawable equity on the loan is not sufficient to pay the transaction amount, then the lender/servicer must first exhaust the drawable equity using unscheduled advances followed by Property Charges for the remaining transaction amount.

To create a new Property Charge Pre D&P disbursement transaction:

Step 1. Click **New** on the **Transactions - Loan** screen.

Step 2. On the **New Loan Transaction** window, select Disb-Prop Chrg – Pre D&P from transaction category dropdown.

Step 3. Populate the below listed required fields (marked with an asterisk):

- Transaction Type
- Effective Date
- Incurred Date
- Transaction Amount

Step 4. Click **Submit**. The new transaction is displayed in the **Loan Transaction Results** section. To exit the window without adding the transaction click **Cancel**.

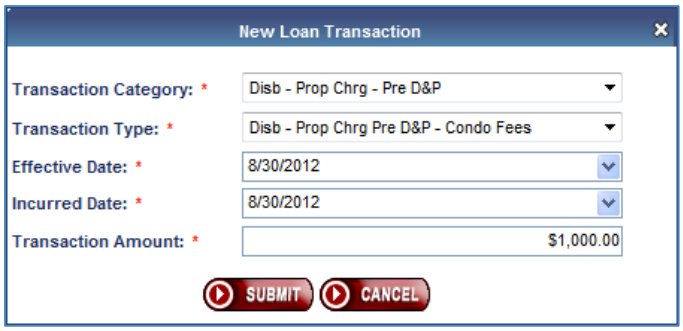


Figure 5-19: New Prop Chrg Pre D&P Disbursement Transaction

Step 5. To adjust the Disbursement transaction, select the document icon beside the transaction, on the **Adjust Loan Transaction** window, click **Submit** to reverse the transaction. Please note transaction is fully reversed, the system does not allow partial adjustments.

Step 6. A new Disbursement adjustment transaction is added and displayed under the **Loan Transactions Result**s section reflecting the reversed amount.

The table below lists all the Property Charge Pre D&P transactions that can be manually created using the New Loan Transaction window.

Category	Transaction	Description
Disb – Prop Chrg – Pre D&P	**Disb – Prop Chrg – Pre D&P – Condo Fees**	Initiated by the servicer (on-behalf of borrower) to make a disbursement to Vendor for condominium fees on the mortgaged property. This transaction applies to ALL pay plan types.
	Disb – Prop Chrg – Pre D&P – Flood Insurance	Initiated by the servicer (on-behalf of borrower) to make a disbursement to Vendor for flood insurance premiums on the mortgaged property. This transaction applies to ALL pay plan types.
	Disb – Prop Chrg – Pre D&P – Ground Rent	Initiated by the servicer (on-behalf of borrower) to make a disbursement to Vendor for ground rent expenses on the mortgaged property. This transaction applies to ALL pay plan types.
	Disb – Prop Chrg – Pre D&P – Hazard Ins	Initiated by the servicer (on-behalf of borrower) to make a disbursement to Vendor for hazard insurance premiums on the mortgaged property. This transaction applies to ALL pay plan types.
	Disb – Prop Chrg – Pre D&P – HOA Dues	Initiated by the servicer (on-behalf of borrower) to make a disbursement for administration, operation, maintenance or repair of the community owned property. This transaction applies to ALL pay plan types.
	Disb – Prop Chrg – Pre D&P – Others	Initiated by the servicer (on-behalf of borrower) to make a disbursement for other expenses on the mortgaged property. This transaction applies to ALL pay plan types.
	Disb – Prop Chrg – Pre D&P – Taxes	Initiated by the servicer (on-behalf of borrower) to make a disbursement for payment of taxes on the mortgaged property. This transaction applies to ALL pay plan types.

Table 5-6: Property Charges – Pre D&P Transactions

5.5.1.7 Closing Costs

To create a closing cost transaction:

Step 1. Click **New** on the **Transactions - Loan** screen.

Step 2. On the **New Loan Transaction** window, select one of the following transaction categories:
- HUD - 1 Closing Costs – Owed to Borrower
- HUD - 1 Closing Costs – Due from Borrower
- HUD - 1 Closing Costs – Additional

Step 3. Populate the below listed required fields (marked with red asterisk):
- Transaction Type
- Effective Date
- Transaction Amount

Step 4. Click **Submit.** The new transaction is displayed in the **Loan Transaction Results** section. To exit the window without adding the transaction, click **Cancel**.

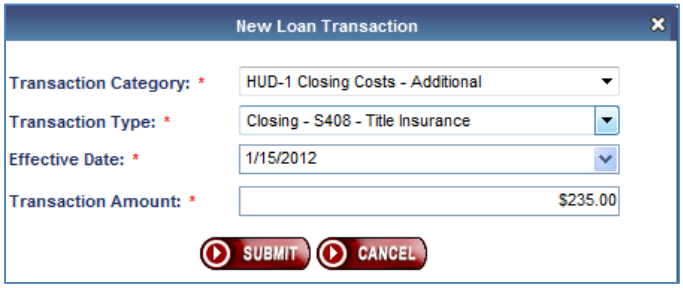


Figure 5-20: Closing Costs Transaction

The table below lists all the Closing Costs transactions that can be manually created using the New Loan Transactions window.

Category	Transaction	Description
HUD - 1 Closing Costs – Due from Borrower -	**Closing - S406 - Taxes**	Initiated by the servicer to report the tax amounts due from buyer as part of HUD-1 closing costs. This transaction applies to ALL pay plan types.
	Closing - S406 - Water Rates	Initiated by the servicer to report the water rates due from buyer as part of HUD-1 closing costs. This transaction applies to ALL pay plan types.
	Closing - S406 - Special Assessments	Initiated by the servicer to report the special assessments lien amounts due from buyer as part of HUD-1 closing costs. This transaction applies to ALL pay plan types.
	Closing - S406 – Other	Initiated by the servicer to itemize other amounts due from buyer as part of HUD-1 closing costs. This transaction applies to ALL pay plan types.
HUD – 1 Closing Costs - Owed to Borrower	**Closing - S407 – Taxes**	Initiated by the servicer to report the tax amounts owed to buyer as part of HUD-1 closing costs. This transaction applies to ALL pay plan types.
	Closing - S407 - Water Rates	Initiated by the servicer to report the water rates owed to buyer as part of HUD-1 closing costs. This transaction applies to ALL pay plan types.
	Closing - S407 - Special Assessments	Initiated by the servicer to report the special assessments lien amount owed to buyer as part of HUD-1 closing costs. This transaction applies to ALL pay plan types.
	Closing - S407 – Other For Endorsed Loans	Initiated by the servicer to itemize other amounts owed to buyer as part of HUD-1 closing costs. This transaction applies to ALL pay plan types.
HUD – 1 Closing Costs - Additional	**Closing - S408 - Discount Points**	Initiated by the servicer to report the additional HUD-1 closing costs for discount points line item. This transaction applies to ALL pay plan types.
	Closing - S408 - Sales Commission	Initiated by the servicer to report the additional HUD-1 closing costs for sales commission line item. This transaction applies to ALL pay plan types.
	Closing - S408 - Recording Fees	Initiated by the servicer to report the additional HUD-1 closing costs for recording fees line item. This transaction applies to ALL pay plan types.

Category	Transaction	Description
	Closing - S408 - Service Charges	Initiated by the servicer to report the additional HUD-1 closing costs for service charges line item. This transaction applies to ALL pay plan types.
	Closing - S408 - Termite Report	Initiated by the servicer to report the additional HUD-1 closing costs for termite inspection fee line item. This transaction applies to ALL pay plan types.
	Closing - S408 - Title Insurance	Initiated by the servicer to report the additional HUD-1 closing costs for title insurance line item. This transaction applies to ALL pay plan types.
	Closing - S408 – Appraisal	Initiated by the servicer to report the additional HUD-1 closing costs for appraisal fees line item. This transaction applies to ALL pay plan types.
	Closing - S408 – Other	Initiated by the servicer to itemize other additional amounts as part of HUD-1 closing costs. This transaction applies to ALL pay plan types.

Table 5-7: HUD -1 Closing Costs Transactions

5.5.1.8 Monthly Accruals

The Servicing Module generates transactions (Monthly Int, MIP accrual and SF) for monthly accruals automatically every month to track the collection of MIP, Interest and Service Fee.

5.5.1.9 Refunds

Remittance Overage disbursement can be performed when a loan is terminated and has an overage amount that can be refunded to the borrower. A transaction is generated automatically once an overage is created.

To perform a Refund Remittance Overage transaction:

Step 1. Click **New** on the **Transactions - Loan** screen.

Step 2. On the **New Loan Transaction** window, select Refund from **Transactions Category** dropdown.

Step 3. Select Disb - Refund Remittance Overage from the **Transactions Type** dropdown.

Step 4. Populate the below listed required fields (marked with red asterisk):

Step 5. Effective Date

Step 6. Transaction Amount

Step 7. Click **Submit.** The new transaction is displayed in the **Loan Transaction Results** section. To exit the window without adding the transaction click **Cancel**.

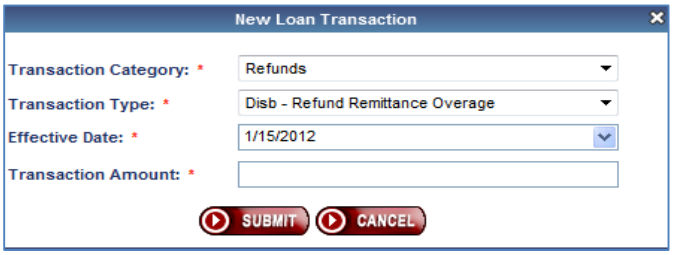


Figure 5-21: Refund Remittance Overage Transaction

5.5.1.10Repays

5.5.1.10.1 Repayment of Loan Balance

A partial repayment of loan balance transaction is initiated by servicer on behalf of a borrower to repay a partial amount to reduce the current unpaid loan balance. The system will not allow repayment amount same as payoff amount. For full repayment, terminate transaction must be used.

To perform a Repay transaction:

Step 1. Click **New** on the **Transactions - Loan** screen.

Step 2. On the **New Loan Transaction** window, select Repay from **Transactions Category** dropdown. Select Part Repay – Reduce Loan Balance from **Transaction Type.**

Step 3. Populate the below listed required fields (marked with red asterisk):
- Effective Date
- Transaction Amount

Step 4. Click **Submit.** The new transaction is displayed in the **Loan Transaction Results** section. To exit the window without adding the transaction, click **Cancel.**

Figure 5-22: Repay Transaction

Step 5. To adjust the repay transaction, select the document icon beside the transaction, on the A**djust Loan Transaction window**, click **Submit** to reverse the transaction.

Step 6. A new repay adjustment transaction is added and displayed under the Loan Transactions Results section reflecting the reversed amount.

5.5.1.10.2 Repayment of Property Charges Pre D&P

This transaction must be used to repay Property Charges Pre D&P balance on the loan. The system will not allow servicer to enter a repayment amount greater than the Total Property Charge Pre D&P balance on the loan.

To perform a Repay transaction to reduce Property Charge balance:

Step 1. Click **New** on the **Transactions - Loan** screen.

Step 2. On the **New Loan Transaction** window, select Repay from **Transactions Category** dropdown. Select Part Repay – Prop Chrg Pre D&P from **Transaction Type**.

Step 3. Populate the below listed required fields (marked with red asterisk):
- Effective Date
- Transaction Amount

Step 4. Click **Submit.** The new transaction is displayed in the **Loan Transaction Results** section. To exit the window without adding the transaction, click **Cancel.**

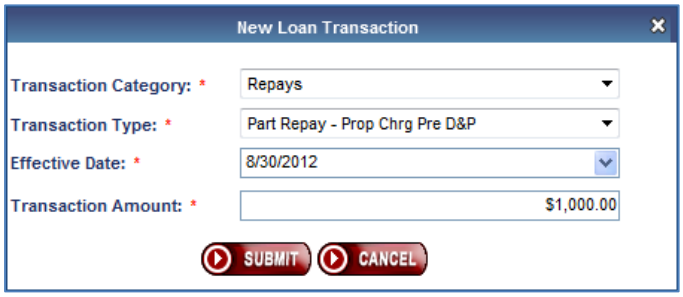


Figure 5-23: Partial Repay – Property Charge Pre D&P Transaction

Step 5. To adjust the repay transaction, select the document icon beside the transaction, on the A**djust Loan Transaction window**, click **Submit** to reverse the transaction.

Step 6. A new repay adjustment transaction is added and displayed under the Loan Transactions Results section reflecting the reversed amount.

The table below lists the Repay transactions that can be manually created using the New Loan Transactions window.

Transaction	Description
Partial Repay - Reduce Loan Balance	This transaction is initiated by the servicer (on-behalf of borrower) to repay a partial amount to reduce the current unpaid loan balance. This transaction applies to ALL pay plan types.
Partial Repay - Increase CLSA + Reduce Loan Balance	This transaction is initiated by the servicer (on-behalf of borrower) to repay a partial amount to reduce the current unpaid loan balance and increase the available line of credit. This transaction applies to pay plan types Modified Term and Modified Tenure ONLY.
Partial Repay – Prop Chrg Pre D&P	This transaction is initiated by the servicer (on-behalf of borrower) to repay the Property Charge balance. This transaction applies to ALL pay plans.

Table 5-8: Repay Transactions

5.5.1.10.3 Repayment of Life Expectancy Set Aside (LESA)

This transaction must be used to repay Life Expectancy Set Aside (LESA) balance on the loan. The system will not allow servicer to enter a repayment amount greater than the Total LESA balance on the loan. To perform a Repay transaction:

Step 1. Click **New** on the **Transactions - Loan** screen.

Step 2. On the New Loan Transaction window, select Repays-LESA from Transactions Category dropdown. The Transaction Type field automatically populates with the entry Part Repays –LESA .

Step 3. Populate the below listed required fields (marked with red asterisk):

- Transaction Type
- Effective Date
- Transaction Amount

Step 4. Click **Submit**. The Loan Balance field under the Balance Information section (header) reflects the updated loan balance. The Life Expectancy Set Aside amount increase in the

Principal Limit Calculation section in the Loan Balance page. The new transaction is displayed in the **Loan Transaction Results** section. To exit the window without adding the transaction click **Cancel.**

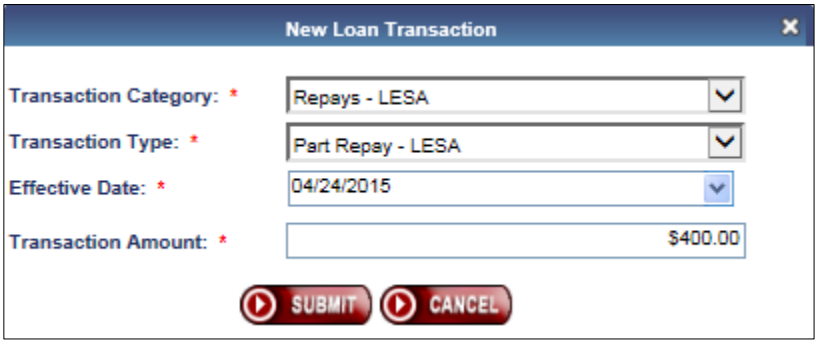


Figure 5-24: Repays- LESA Transaction Window

Step 5. To adjust the repay transaction, select the document icon beside the transaction, on the Adjust Loan Transaction window, click Submit to reverse the transaction.

Step 6. A new repay adjustment transaction is added and displayed under the Loan Transactions Results section reflecting the reversed amount.

The table below lists the Repay transactions that can be manually created using the New Loan Transactions window.

Transaction	Description
Partial Repay-LESA	This transaction is initiated by the servicer (on-behalf of borrower) to repay a partial amount to reduce the current unpaid loan balance. This transaction applies to ALL pay plan types.

Table 5-9: LESA Repay Transactions

5.5.1.11Termination

The Termination transaction is initiated by the lender/servicer to notify HUD of the termination of the HECM Case insurance. Upon termination, the case status of the loan is updated to "Terminated" and loan balance is set to zero. The case sub status is updated based on the reason selected by the lender/servicer at the time of termination transaction. For non-claim terminations if the payoff amount is not within the threshold limit set by HUD, then system will not allow the authorized user to submit the transaction.

To terminate a loan:

Step 1. Click **New** on the **Transactions - Loan** screen.

Step 2. On the **New Loan Transaction** window, select Terminate from **Transactions Category** dropdown.

Step 3. An error message will appear if there is an unpaid HUD Advance on the loan when the User is trying to Terminate a loan.

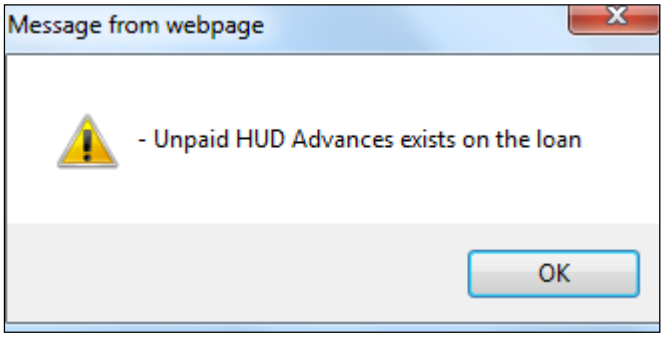


Figure 5-25: Error message on Terminating the loan

Step 4. Populate the below listed required fields (marked with red asterisk):
- Transaction Type
- Effective Date
- Transaction Amount

Step 5. Click **Submit.**

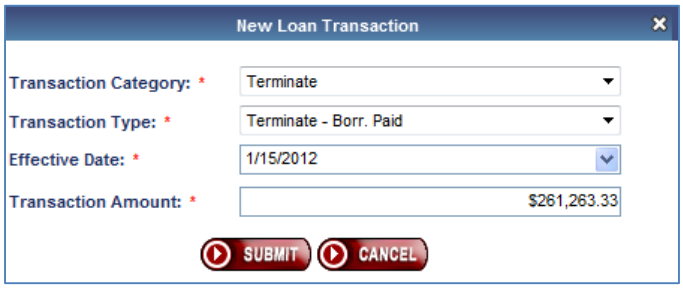


Figure 5-26 New Loan Transaction - Terminate

Step 6. A pop-up window is displayed requesting the user to confirm the action and notifying user that the case status will be updated to **Terminated**.

Step 7. Click **OK** on the pop-up window. The new transaction is displayed in the **Loan Transaction Results** section and case status and case sub status is updated. To exit the pop-up window without adding the transaction click **Cancel.**

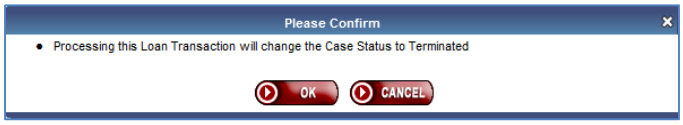


Figure 5-27 Confirmation Message

Step 8. To adjust the terminate transaction, select the **document icon** beside the transaction, on the **Adjust Loan Transaction** window, click **Submit** to reverse the transaction.

Step 9. A new terminate adjustment transaction is added and displayed under the **Loan Transactions Results** section reflecting the reversed amount.

The table below lists the Terminate transactions that can be manually created using the New Loan Transactions window.

Transaction	Description
Terminate - Borr. Paid	This transaction is initiated by the servicer to terminate the loan in case borrower paid off the loan in full. **Note:** If the pay-off amount is not within the overage or shortage threshold limit set by HUD, system will not allow the termination of the loan for this termination type.
Terminate - Borr. Moved	This transaction is initiated by the servicer to terminate the loan in case the last remaining borrower moved out of the mortgaged property. **Note:** If the pay-off amount is not within the overage or shortage threshold limit set by HUD, system will not allow the termination of the loan for this termination type.
Terminate – Claim - 21	This transaction is initiated by the servicer to terminate the loan when payment is received on the paper claim (CT 21) submitted prior to HERMIT go-live.
Terminate – Claim - 23	This transaction is initiated by the servicer to terminate the loan when payment is received on the paper claim (CT 23) submitted prior to HERMIT go-live.
Terminate – Full Write-Off	This transaction is initiated by the servicer to terminate the loan by full write-off.
Terminate – Death	This transaction is initiated by the servicer to terminate the loan in case of death of the last surviving borrower. **Note:** If the pay-off amount is not within the overage or shortage threshold limit set by HUD, system will not allow the termination of the loan for this termination type.
Terminate - Short Sale (Partial)	This transaction is initiated by the servicer to perform a partial repayment on behalf of borrower towards the short sale of the mortgaged property. Note: The case status of the loan will not be changed to Terminated - Short Sale (Partial) until the write-off transaction is added for the remaining balance.
Terminate – Refinance	This transaction is initiated by the servicer to terminate the loan due to refinancing. **Note:** If the pay-off amount is not within the overage or shortage threshold limit set by HUD, system will not allow the termination of the loan for this termination type.
Terminate - REO/3rd Party/FCl Sale (PIF)	This transaction is initiated by the servicer to terminate the loan after sale of the mortgaged property to a 3rd party via foreclosure sale. Claim will NOT be filed by the servicer as no loss is incurred by Lender/Investor.
Terminate - REO Sale (Partial)	This transaction is initiated by the servicer to perform a partial repayment on behalf of borrower towards the REO sale of the mortgaged property. Note: The case status of the loan will not be changed to Terminated - REO Sale (Partial) until the write-off transaction is added for the remaining balance.

Transaction	Description
Terminate - FCL Conveyed	This transaction is initiated by the servicer to terminate the loan after the mortgaged property is foreclosed. Claim will NOT be filed by the servicer as no loss is incurred by Lender/Investor. **Note:** If the pay-off amount is not within the overage or shortage threshold limit set by HUD, system will not allow the termination of the loan for this termination type.
Terminate - DIL Conveyed	This transaction is initiated by the servicer once servicer owns the deed of the mortgaged property in lieu of foreclosure. Claim will NOT be filed by the servicer as property is disposed in a manner that satisfies the debt. **Note:** If the pay-off amount is not within the overage or shortage threshold limit set by HUD, system will not allow the termination of the loan for this termination type.
Terminate – Other	This transaction is initiated by the servicer to terminate the loan for other reasons. **Note:** If the pay-off amount is not within the overage or shortage threshold limit set by HUD, system will not allow the termination of the loan for this termination type.

Table 5-10: Terminate Transactions

5.5.1.12 IMIP adjustments

The IMIP paid by Lender or Borrower can be adjusted using the IMIP Adj button in the **Transactions - Loan** screen.

To perform an IMIP adjustment of a loan for a borrower:

Step 1. Click **IMIP Adj** on the **Transactions - Loan** screen.

Step 2. On the **Adjust IMIP** window, enter the amounts in the **IMIP Paid by Lender** and **IMIP Paid by Borrower** fields.

Step 3. Click Submit. This will adjust the **IMIP Financed** field.

Step 4. This action will automatically generate the Auto-Adjust Int MIP SF transaction in the system.

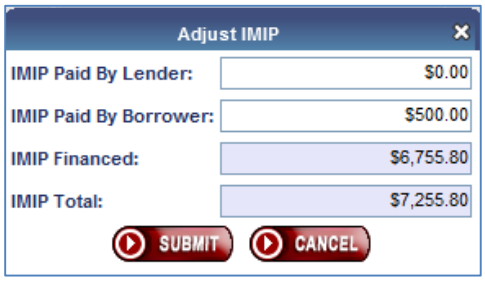


Figure 5-28: Adjust IMIP Window

5.5.1.13 Write-off

The **Write-off** button enables the authorized user to perform a partial write-off.

To perform a partial write-off:

Step 1. Click **Write-off** on the **Transactions - Loan** screen.

Step 2. On the **Write-off** window, enter the amounts in the following fields:

- Principal
- Interest
- MIP
- Service Fee
- Corp Advance

Step 3. Click **Submit.** This will create the partial write-off transaction.

Step 4. A new transaction, Write-Off - Manual, is added reflecting the updated amounts under the Loan Transactions Results section.

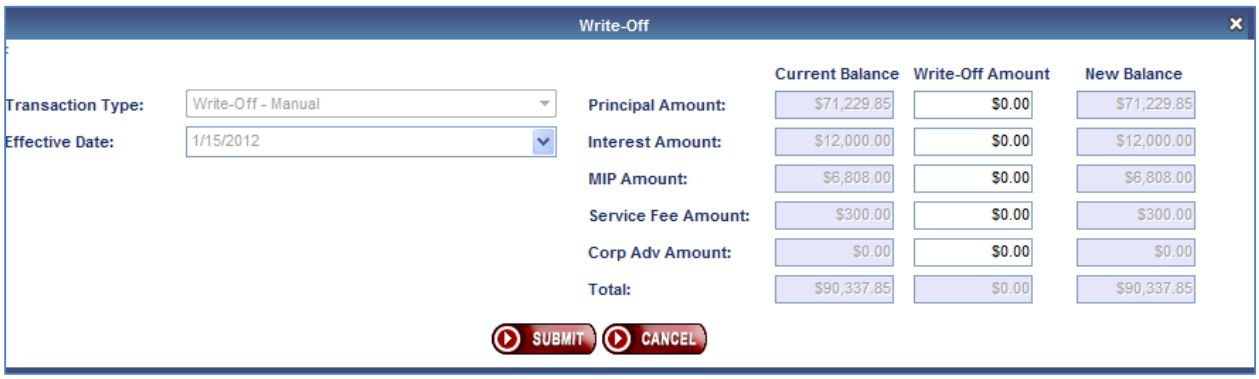


Figure 5-29: Write-off Transaction

Step 5. To adjust the transaction, select the **document icon** beside the transaction on the **Adjust Loan Transaction** window and click **Submit** to reverse the transaction.

Step 6. A new transaction, Write-Off - Manual Adj, is added and displayed under the **Loan Transactions Results** section reflecting the reversed amount.

5.5.1.14 Balance Adjustments

The Balance Adj button enables the authorized user to correct the loan balance. Only an authorized role with this permission enabled can perform this function. HUD has established a threshold for these fields (MIP,Interest Amount and Service Fee Amount) and the user will get an error message if they enter an amount greater than the threshold.

Note: (The threshold for the three fields are subject to change by HUD.)

To perform a Balance adjustment of a loan:

Step 1. Click **Balance Adj**. on the **Transactions - Loan** screen.

Step 2. On the **Adjust Loan Transaction** window, enter the amounts in the Correct Amount column.

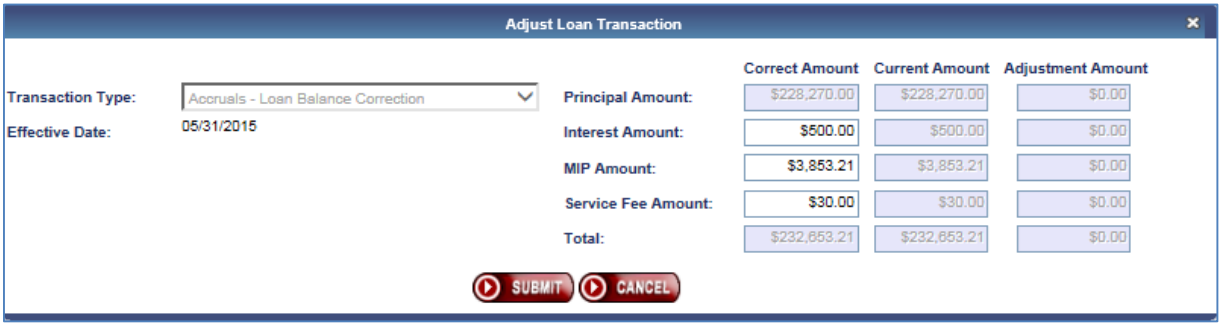


Figure 5-30: Adjust Loan Balance Window

Step 3. Click **Submit**. A new transaction "Accruals – Loan Balance Correction" is added reflecting the corrected amounts under the Loan Transactions Results section.

Figure 5-31: Loan Balance Adjustment Transaction

5.5.2 Transactions - Growth

This screen displays the growth transactions associated with line of credit, principal limit and unscheduled line of credit disbursements. This screen allows the authorized user to filter and view specific growth transactions within a transaction category. The growth transactions are automatically initiated by the system.

Figure 5-32: Transactions - Growth

The table below lists the Growth transactions that are automatically initiated by the system.

Transaction	Description
Credit Line Transactions	Transactions generated for loans which have an available line of credit for borrower.
Credit Line Original – Setup	This transaction is generated in Servicing Module when certain amount is set aside from line of credit. This transaction is generated for pay plan types Modified Tenure and Modified Term.
Credit Line Original - Setup Adj	This transaction is an adjustment/reversal of transaction 'Credit Line Original - Setup'.
Credit Line – Growth	This transaction is generated in Servicing Module to depict the monthly Credit Line growth.
Credit Line - Growth Adj	This transaction is an adjustment/reversal of transaction 'Credit Line - Growth'.
Credit Line - Change Of Plan Adj	This transaction is generated in Servicing Module when a change of payment plan occurs. This transaction is generated when there is a change of payment plan from Modified Tenure to Modified Term or vice-versa.
Principal Limit Transaction	Transaction generated for all loans to depict the monthly Principal limit changes.
Principal Limit Original – Setup	This transaction is generated in Servicing Module when the original principal limit is setup during the loan setup.
Principal Limit Original - Setup Adj	This transaction is an adjustment/reversal of transaction 'Principal Limit Original - Setup'.
Principal Limit – Growth	This transaction is generated in Servicing Module to depict the monthly principal limit growth.
Principal Limit - Growth Adj	This transaction is an adjustment/reversal of transaction 'Principal Limit - Growth'.
Unscheduled Credit Line Disbursement Transaction	Transactions generated for loans eligible for unscheduled line of credit disbursements.
UnSch LOC Disb - Int & MIP Accrual	This transaction is generated in Servicing Module to display the interest and MIP accruals on an unscheduled disbursements taken from available line of credit. This is applicable for pay plan types Modified Tenure and Modified Term.

Table 5-11: Growth Transactions

5.5.2.1 Transactions – Growth Filter

The Growth Transaction Filter section allows the authorized user to view the transactions according to the filter criteria selected.

To filter the transactions by transaction category:

Step 1. Select the **Transaction Category** from the dropdown.

Step 2. Select the **Transaction Type** from the dropdown (if needed).

Step 3. Click **Filter** to view the filtered transactions under the **Growth Transactions Results** section. No results are displayed if no transactions match the filter criteria entered by the user.

Step 4. Click **Clear** to clear the selected filters and view all transactions.

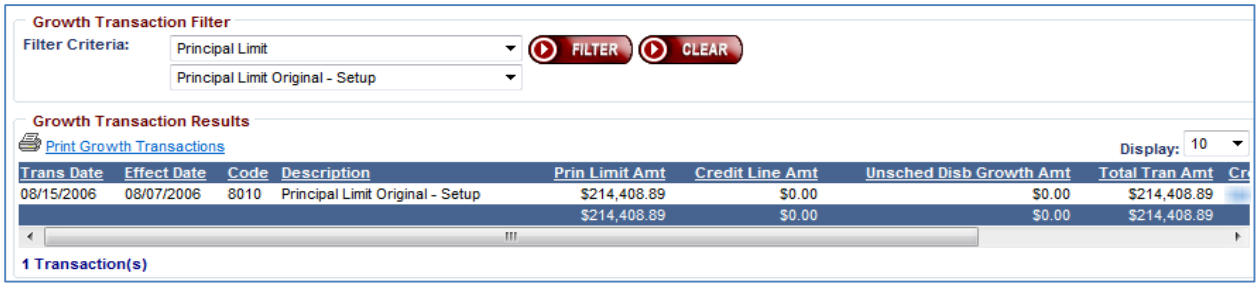


Figure 5-33: Growth Transactions Filter and Results Section

5.5.3 Transactions - Set Asides

This screen displays all the Set Aside transactions associated with the loan. This screen allows the user to perform the following functions:

- **Set Aside Transaction Filter**: This allows the user to filter and view specific transactions within a transaction category.
- **New Transactions**: This allows the authorized user with the ability to add set aside transactions on the Loan.

5.5.3.1 Transactions – Set Aside filter

The Set Aside Transaction Filter section allows the authorized user to view the transactions according to the filter criteria selected.

To filter the transactions by transaction category:

Step 1. Select the **Transaction Category** from the dropdown.

Step 2. Select the **Transaction Type** from the dropdown (if needed).

Step 3. Click **Filter** to view the filtered transactions under the **Set Aside Transactions Results** section. No results are displayed if no transactions match the filter criteria entered by the user.

Step 4. Click **Clear** to clear the selected filters and view all transactions.

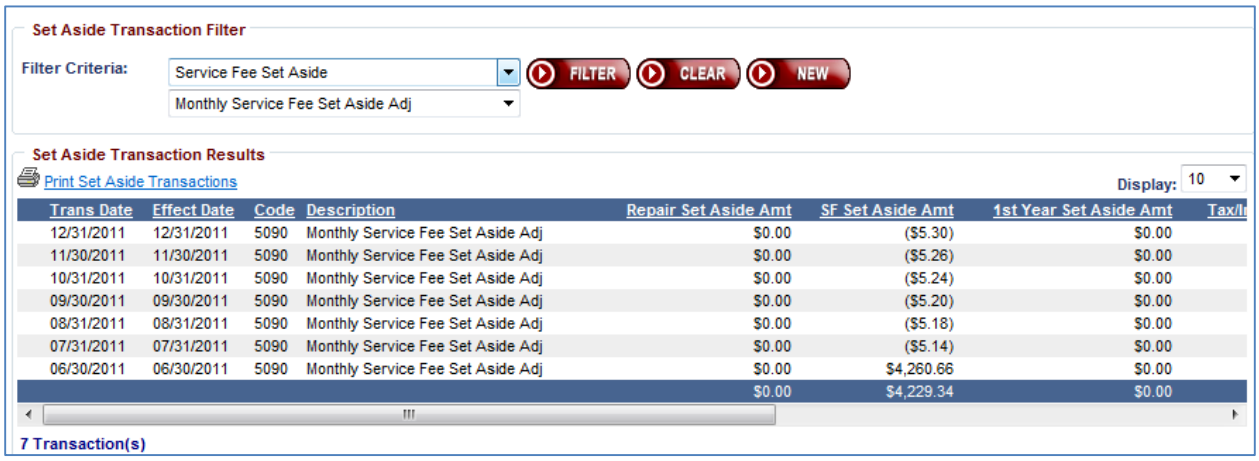


Figure 5-34: Set Aside Transactions Filter and Results Section

5.5.3.2 Creating a New Set Aside Transaction

The New button allows the authorized user to add Set Aside transactions. The following transactions can be initiated manually by the user:

- 1st Yr Taxes & Ins – Setup
- Repair Set Aside – Setup

5.5.3.3 1st Yr Taxes and Ins - Setup

This transaction is initiated by a lender/servicer to set aside an amount for Taxes and Insurance paid on behalf of borrower. This transaction can be applied to all pay plans.

To create a 1st Yr Taxes and Ins Set Aside transaction:

Step 1. Click **New** on the **Transactions – Set Aside** screen.

Step 2. On the **New Set Aside Transaction** window, select 1st Yr Taxes & Ins – Setup from the **Transaction Type** dropdown.

Step 3. Populate the below listed required fields (marked with red asterisk):

- Effective Date
- Transaction Amount

Step 4. Click **Submit**. The new transaction is displayed in the **Set Aside Transaction Results** section. To exit the window without adding the transaction click **Cancel.**

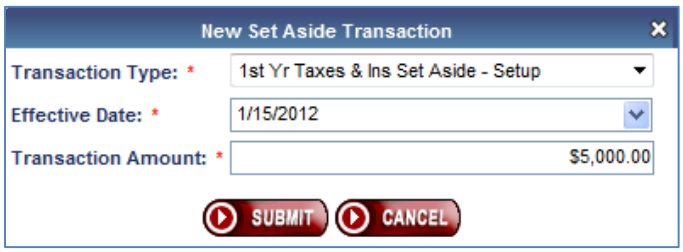


Figure 5-35: Set Aside - Taxes & Insurance Transaction

Step 5. To adjust the Set Aside transaction, select the **document icon** beside the transaction, on the **Adjust Set Aside Transaction** window, click **Submit** to reverse the transaction.

Step 6. A new 1st Yr Taxes & Ins – Setup Adj transaction is added and displayed under the **Set Aside Transactions Results** section reflecting the reversed amount.

5.5.3.4 Repair Set Aside- Setup

This transaction is initiated by a lender/servicer to set aside an amount for any repairs of the mortgaged property. This transaction can be applied to all pay plans.

To create a Repair Set Aside transaction:

Step 1. Click **New** on the **Transactions – Set Aside** screen.

Step 2. On the **New Set Aside Transaction** window, select Repair Set Aside – Setup from the Transaction Type dropdown.

Step 3. Populate the below listed required fields (marked with red asterisk):

- Effective Date

- Transaction Amount

Step 4. Click Submit. The new transaction is displayed in the **Set Aside Transaction Results** section. To exit the window without adding the transaction click **Cancel.**

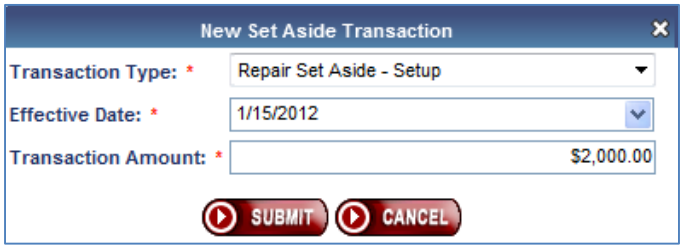


Figure 5-36: Set Aside - Repair Transaction

Step 5. To adjust the Set Aside transaction, select the document icon beside the transaction, on the Adjust Set Aside Transaction window, click Submit to reverse the transaction.

Step 6. A new Repair Set Aside – Setup Adj transaction is added and displayed under the Set Aside Transactions Results section reflecting the reversed amount.

5.5.4 Viewing Life Expectancy Set Aside Growth Transaction

An authorized user can view the LESA Growth Transaction created in the Set Aside Transaction Window for loans that have LESA Set Aside balance.

Figure 5-37: Viewing LESA-Growth Transaction

5.5.5 Transactions - Claims

This screen displays the claims transactions associated with claim submissions. This screen allows the user to filter and view specific claim transactions within a transaction category. The claim transactions are automatically initiated by the system when a claim is approved by HUD.

The table below lists the Claim transactions that are automatically initiated by the system.

Transaction	Description
Claim Type 21 - FCL/DIL	This transaction is automatically initiated by the Servicing Module upon approval of Claim Type 21 by HUD.
Claim Type 22 - Optional Assignment	This transaction is automatically initiated by the Servicing Module upon auto-approval of Claim Type 22.
Claim Type 23 - Mortgagor Sale	This transaction is automatically initiated by the Servicing Module upon approval of Claim Type 23 by HUD.
Claim Type 21 – Supplemental	This transaction is automatically initiated by the Servicing Module upon approval of Claim Type 24 by HUD provided the initial claim is a Claim Type 21.
Claim Type 23 – Supplemental	This transaction is automatically initiated by the Servicing Module upon approval of Claim Type 24 by HUD provided the initial claim is a Claim Type 23.
Claim Type 22 - Funds Due HUD	Automatically initiated by the Servicing Module upon denial of assignment (Claim Type 22 post preliminary title approval and pre final title approval) by HUD. The transaction is initiated to recover the advances made previously by HUD.
Interest on HUD Advances	Automatically initiated by the Servicing Module upon denial of Assignment (Claim Type 22 post preliminary title approval and pre final title approval) by HUD. The transaction is initiated to recover the interest amount on the advances made previously by HUD.
Claim Type 22 – Repurchase	For assigned loans, this transaction is automatically initiated by the Servicing Module upon approval of Assignment Repurchase by HUD.
Claim Type 22 - Repurchase Adj	Automatically initiated by the Servicing Module if there is a difference in payoff amount between the date HUD approved repurchase and servicer authorized the repayment transaction.

Table 5-12: Claims Transactions

5.5.5.1 Filtering Claims Transactions

The Claims Transaction Filter section allows the authorized user to view the transactions according to the filter criteria selected.

To filter the transactions by transaction category:

Step 1. Select the **Transaction Category** from the dropdown.

Step 2. Select the **Transaction Type** from the dropdown (if needed).

Step 3. Click **Filter** to view the filtered transactions under the **Claims Transactions Results** section. No results are displayed if no transactions match the filter criteria entered by the user.

Step 4. Click **Clear** to clear the selected filters and view all transactions.

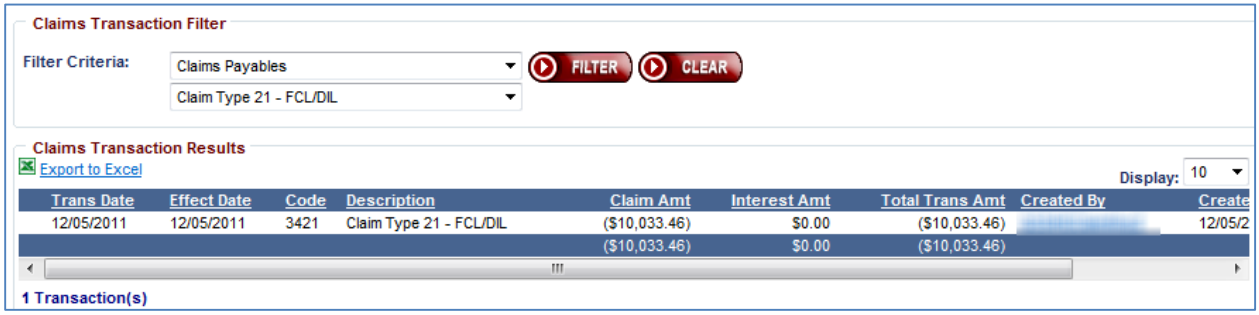


Figure 5-38: Claims Transactions Filter and Results Section

5.6 Contacts

The Contact screen is displayed when a user selects the Contacts tab from the menu on the left side of the screen. This screen displays the borrower, co-borrower and non borrowing spouse information received from CHUMS at the time of loan setup. In addition, the screen enables authorized users to add new contacts other than borrower and co-borrower, edit existing contact information, and delete a contact. The screen also enables user to deactivate a non borrowing spouse, if available.

The Contacts screen displays the following sections:

- Loan/Borrower/Servicer/Balance Information (Header section of the page)
- New button
- Contacts

5.6.1 Viewing a Contact

To view a contact:

Step 1. Click a **Contact Type** displayed under the **Contact Information** section.

Step 2. The Mailing Information, Other Information and Audit Information of the selected contact are displayed below the contact.

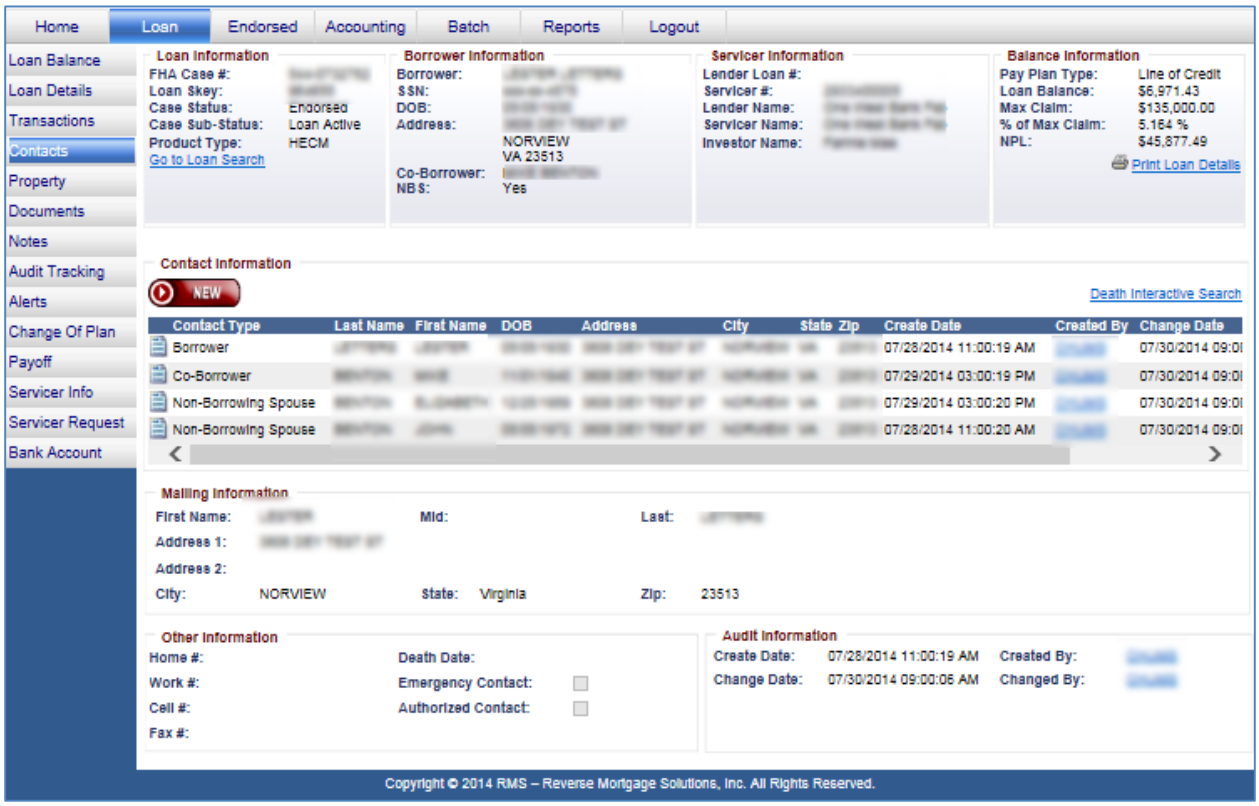


Figure 5-39: View Contact Information Screen

5.6.2 Adding a Contact

To add a contact:

Step 1. Click **New** in the **Contact Information** section.

Step 2. On the **Contact Info** window, populate the fields as needed (fields marked with red asterisk must be populated). Selecting the button **Same as Contact Address** will auto-fill the contact name and address from the **Contact Name & Address** section to the **Contact Mailing Info** section.

Step 3. Click **Submit** to save the changes. The new contact is displayed under the **Contact Information** section. To exit the window without saving the changes click **Cancel**.

Figure 5-40: Add Contact Information Window

5.6.3 Editing a Contact

To edit a contact:

Step 1. Click the **document icon** beside the contact type in the **Contact Information** section.

Step 2. On the Contact Info window, edit the fields as needed (fields marked with red asterisk must be populated).

Step 3. Click **Submit** to save the changes. The updated information is displayed under the **Contact Information** section. To exit the window without saving the changes click **Cancel.**

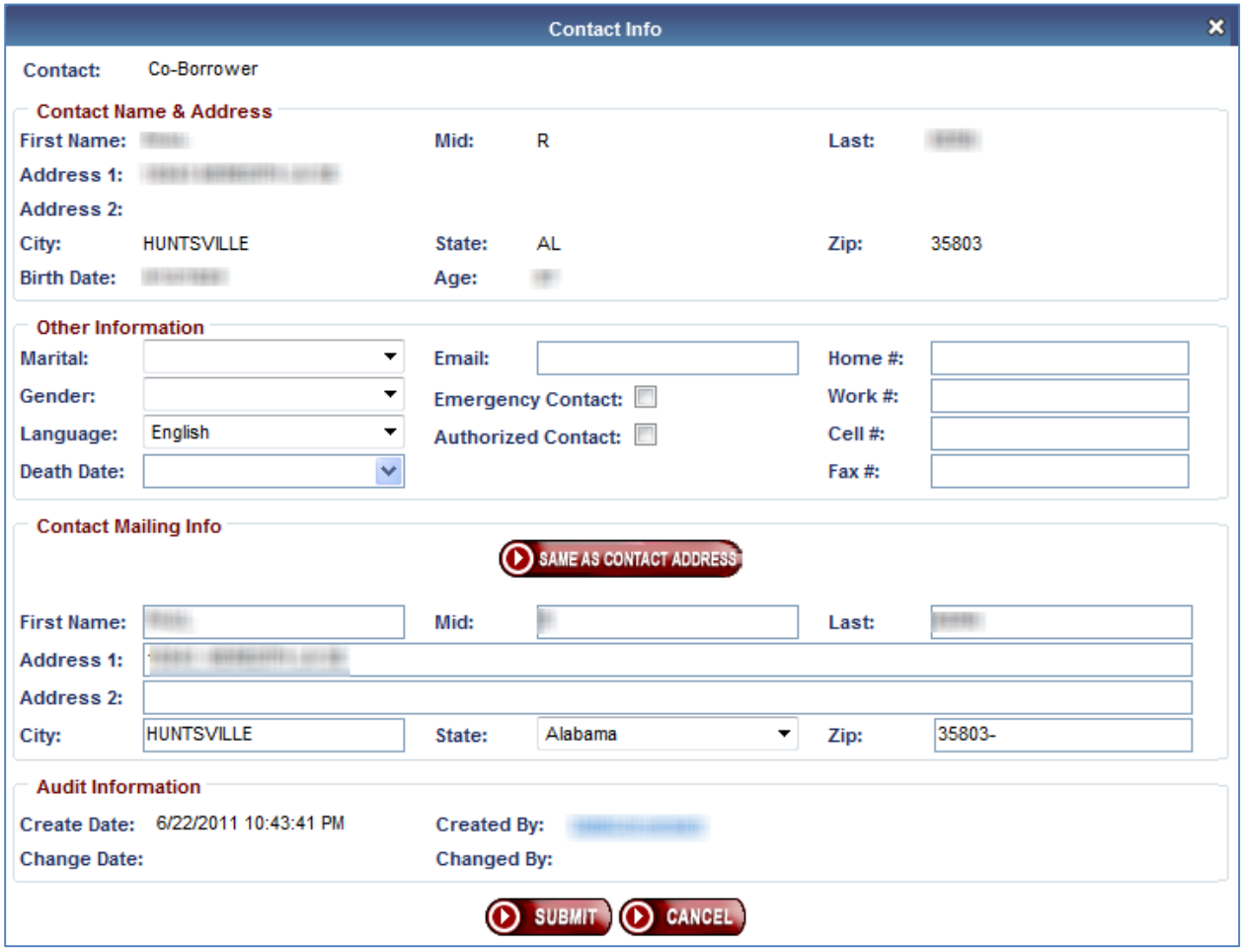


Figure 5-41: Edit Contact Information Window

5.6.4 Deleting a Contact

To delete a contact:

Step 1. Click the **cross icon** beside the contact type in the **Contact Information** section.

Step 2. A pop-up window is displayed requesting the user to confirm the action.

Step 3. Click **OK** on the pop-up window, the selected contact will be deleted. To exit the message window without deleting a contact select **Cancel**.

The contact information of the Borrower and Co-Borrower Contact Type cannot be deleted.

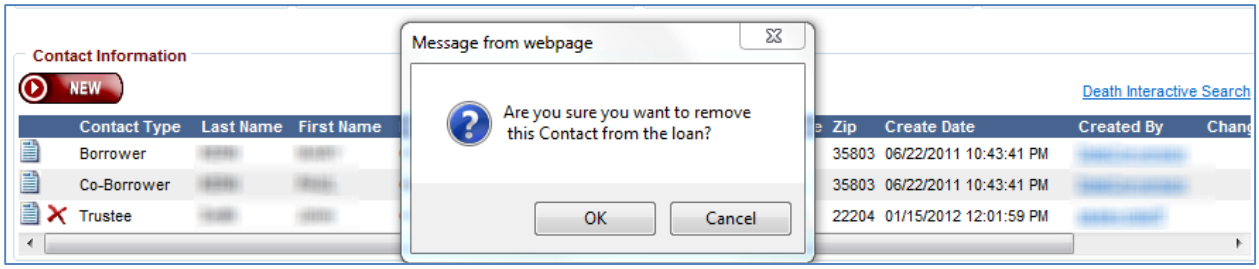


Figure 5-42: Delete Contact Information

5.6.5 Deactivating a Non Borrowing Spouse

To deactivate a non borrowing spouse:

Step 1. Click the **document icon** beside the contact type Non-Borrowing Spouse in the **Contact Information** section

Step 2. On the Contact Info window, select the Deactivate NBS box.

(Note: In the event of the death of a NBS, entering the death date will cause the NBS to become inactive)

Step 3. Click **Submit** to save the changes. The updated information is displayed under the **Contact Information** section. To exit the window without saving the changes click **Cancel**.

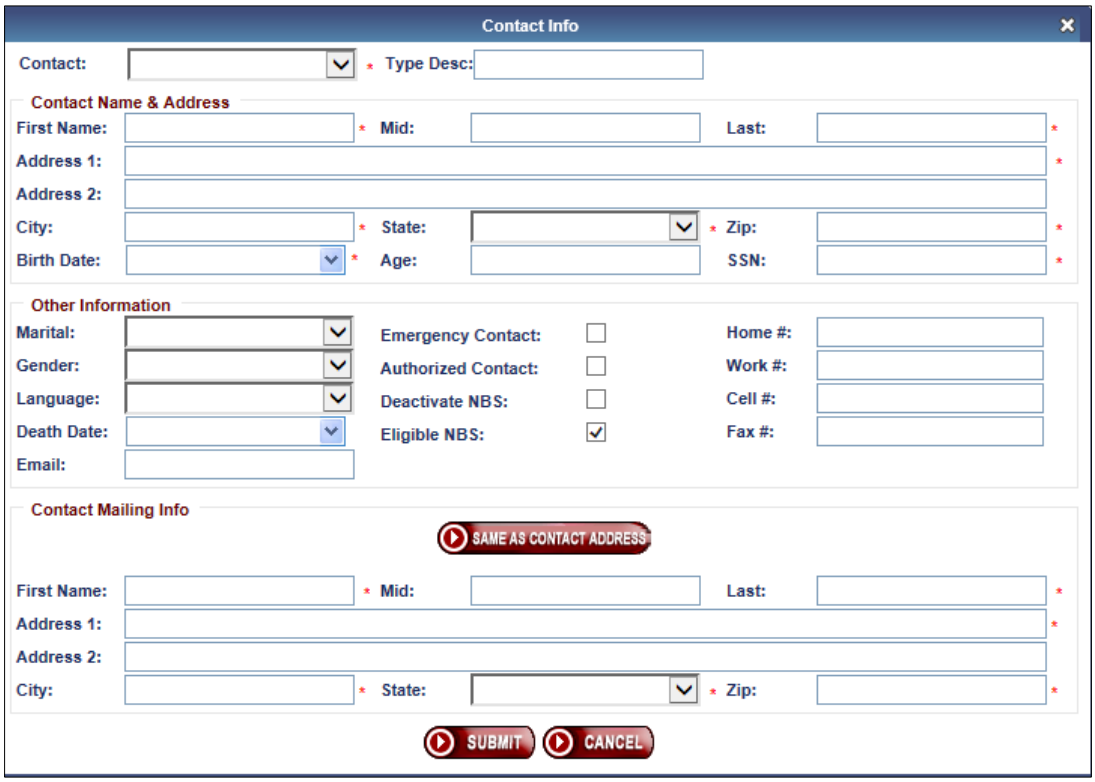


Figure 5-43: Deactivate a Non Borrowing Spouse

5.6.6 Viewing Eligible and Ineligible Non Borrowing Spouse

The Eligible NBS checkbox is placed under the Deactivate NBS checkbox in the Contact Info Screen. The checkbox when selected indicates that the Non Borrowing Spouse present on the loan is Eligible. The Checkbox when not selected indicates that Non Borrowing Spouse present on the loan is Ineligible.

5.6.7 Adding a Non Borrowing Spouse Contact

An authorized user can enter up to three Non Borrowing Spouses for the FHA Case numbers assigned prior to 08/04/2014.

To add a contact:

Step 1. Click **New** in the **Contact Information** section.

Step 2. On the Contact Info Window, select Non-Borrowing Spouse from the drop-down menu.

Step 3. On the **Contact Info** window, populate the remaining fields as needed (fields marked with red asterisk must be populated). Selecting the button **Same as Contact Address** will auto-fill the contact name and address from the **Contact Name & Address** section to the **Contact Mailing Info** section. Contact field should be selected as **Non Borrowing Spouse.**

Step 4. Click **Submit** to save the changes. The new contact is displayed under the **Contact Information** section. To exit the window without saving the changes click **Cancel.**

5.6.8 Editing a Non Borrowing Spouse Contact

To edit a Non Borrowing Spouse contact:

Step 1. Click the document icon beside the Non Borrowing Spouse contact type in the **Contact Information** section.

Step 2. On the **Contact Info** window, edit the fields as needed (fields marked with red asterisk must be populated).

Step 3. Click **Submit** to save the changes. The updated information is displayed under the **Contact Information** section. To exit the window without saving the changes click **Cancel**.

5.7 Property

The Property screen is displayed when a user selects the Property tab from the menu on the left side of the screen. This tab has two sub-menu options:

- Property Info
- Property Values

5.7.1 Property Information

This screen displays the property details received from CHUMS at the time of loan setup. In addition, the screen allows authorized users to edit property details, upload or delete a property photo. The data fields received from CHUMS cannot be edited.

The Property Information screen displays the following sections:

- Header section - Loan/Borrower/Servicer/Balance Information
- Property Details
- Audit Information
- Property Photo
- Property Location
- Local Statistics

The screen also displays the following links:

- **View Property Values** – This link navigates the user to the Property Values screen.
- **View Property Location** – This link activates the Google map to view the Property Location.
- **View Local Statistics** – This link activates the Local Statistics from Zillow associated with the property zip code.

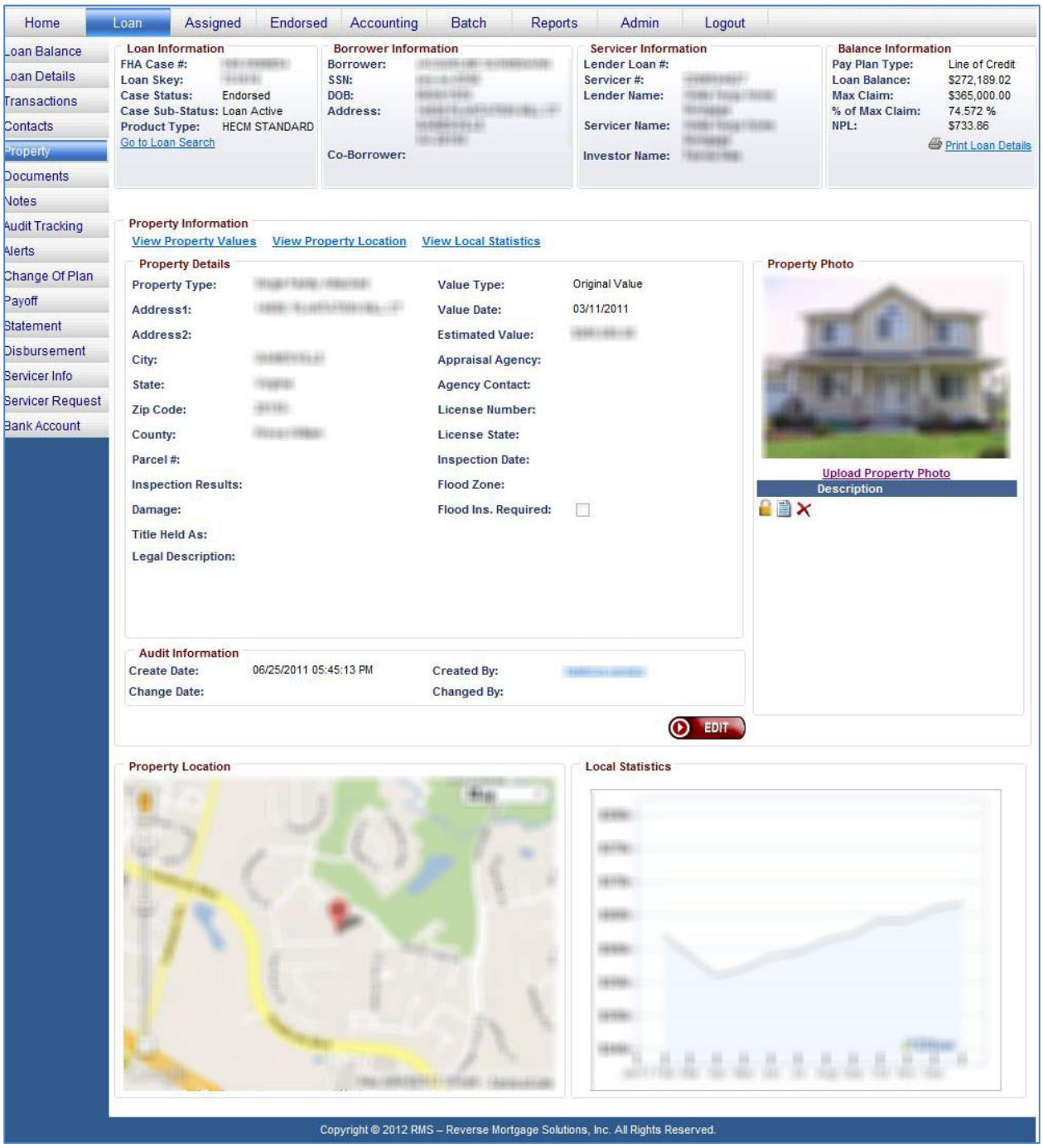


Figure 5-44: Property Information Screen

5.7.1.1 Editing Property Information

To edit the fields in the Property Details section:

Step 1. Click **Edit** in the Property Details section on the **Property Information** screen.

Step 2. On the **Edit Property Info** window, edit the fields.

Step 3. When Damage value is selected, the **Damage Date** and **Damage Amounts** are required. The values from the Damage, Damage Amount, Damage Date, and Legal Descriptions fields will be used by the system to pre-fill Claim Form HUD27011 (if initiated by the servicer).

Step 4. Click **Submit** to save the changes. The updated information is displayed under the **Property Details** section. To exit the window without saving the changes click **Cancel.**

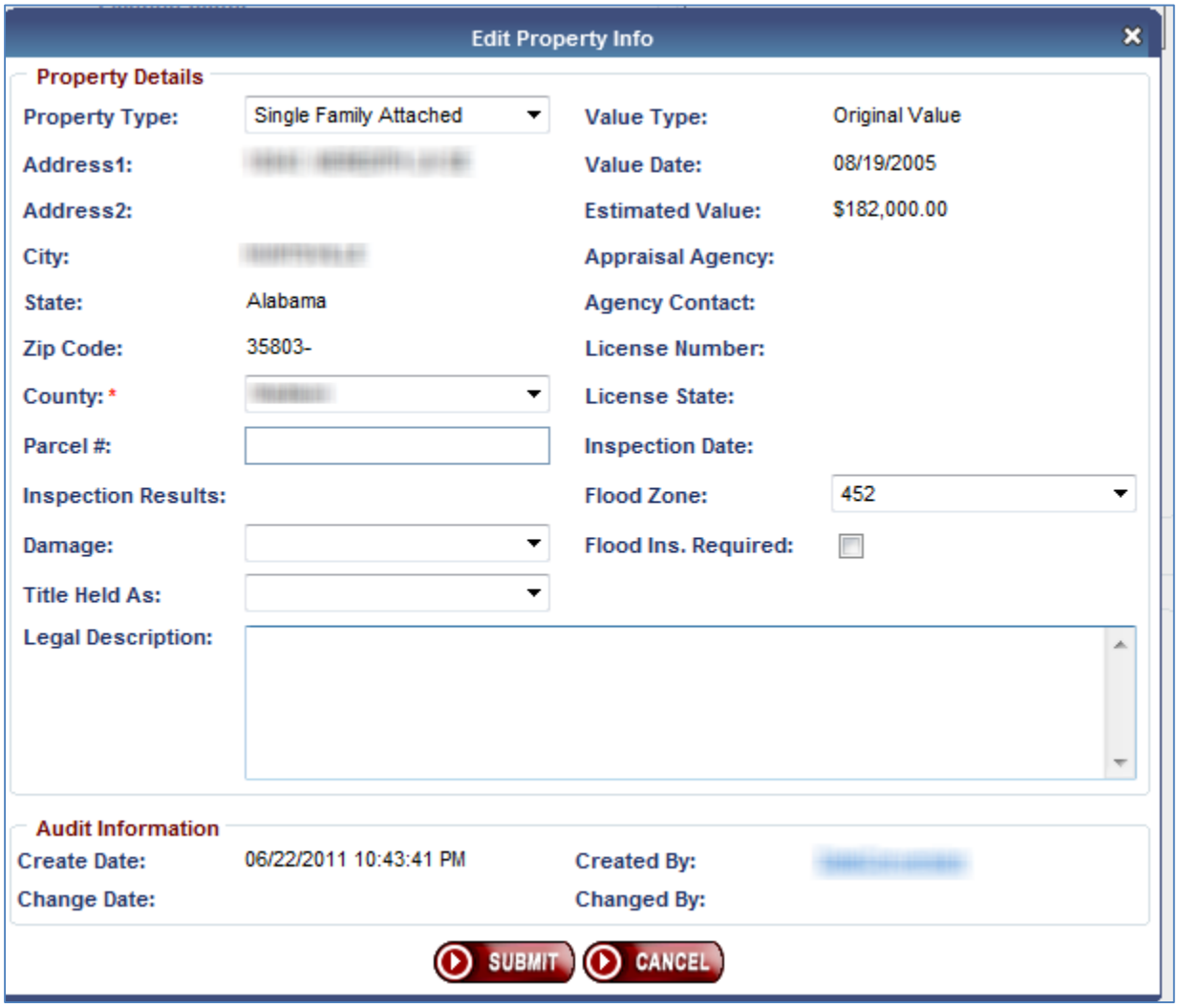


Figure 5-45: Edit Property Info Window

5.7.1.2 Uploading a Property Photo

To add a Property Photo:

Step 1. Click the **Upload Property Photo** link on the **Property Photo** section.

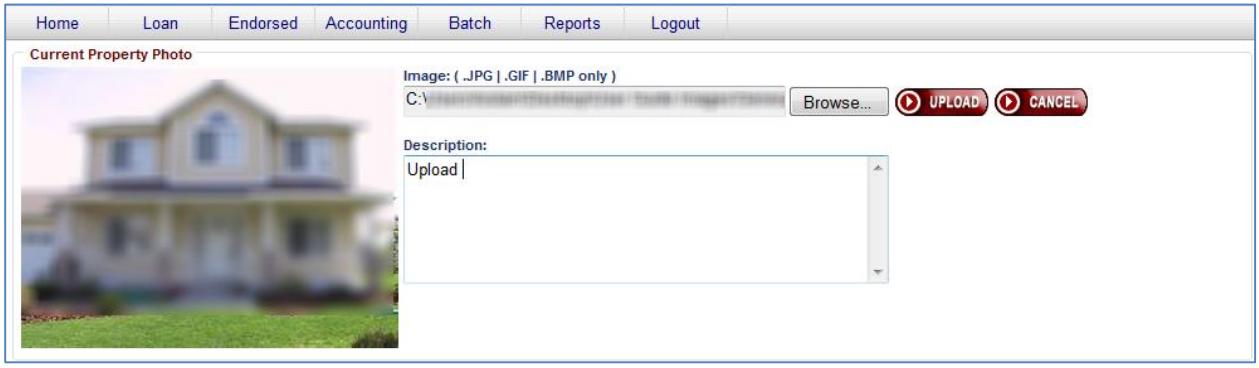


Figure 5-46: Upload Property Photo

Step 2. A new window is displayed with the upload option. Only images with .JPG, .GIF, and .BMP file extensions can be uploaded.

Step 3. Click **Browse**.

Step 4. Select the image to upload and click **Open.**

Step 5. Enter description in the **Description** field (optional).

Step 6. Click **Upload** to save the property photo. To exit the screen without uploading click **Cancel**.

5.7.1.3 Editing the description for a property photo

To edit the property photo description:

Step 1. Click **document icon** below the Description field under the **Property Photo** section.

Step 2. On the **Edit Property Description** window, edit the description field and click **OK** to save the changes. To exit the screen without saving the description click **Cancel**.

Figure 5-47: Edit Property Description Window

5.7.1.4 Deleting a Property Photo

To delete a property photo:

Step 1. Click the **cross icon** below the Description field under the **Property Photo** section.

Step 2. A pop-up window is displayed requesting the user to confirm the action. Click **OK** on the pop-up window; the photo and description will be deleted. To exit the pop-up window without deleting the photo click **Cancel.**

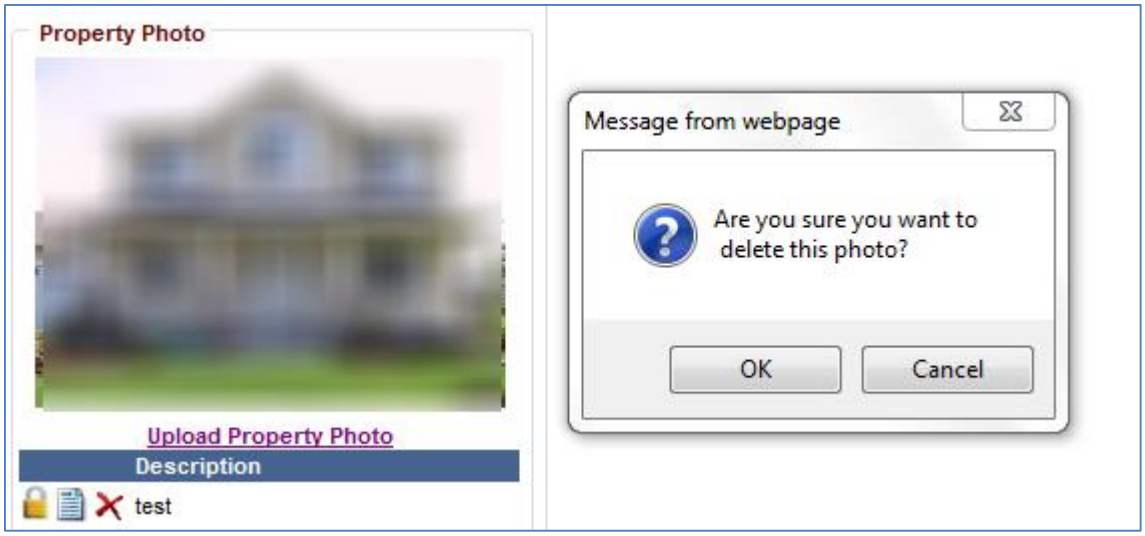


Figure 5-48: Delete Property Photo Window

5.7.2 Property Values

This screen displays the property values received from CHUMS at the time of loan setup (indicated by value type of Original Value). In addition, the screen allows authorized users to add new property values, edit or delete the property values that were previously added.

The Property Values screen displays the following data sections:

- Header section - Loan/Borrower/Servicer/Balance Information
- New button
- Property Values

5.7.2.1 Viewing Property Values

The Property Values are displayed as individual rows for each value. Scroll the horizontal bar to view additional details on the property value.

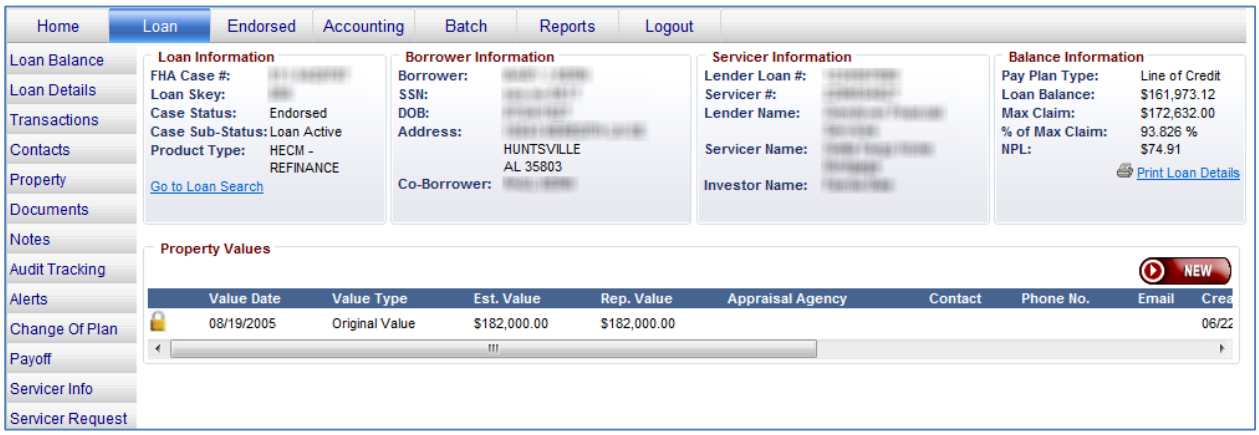


Figure 5-49: View Property Values Window

5.7.2.2 Adding a New Property Value

To add a Property Value:

Step 1. Click **New** in the **Property Values** screen.

Step 2. On the **Property Value** window, populate the fields (fields marked with red asterisk must be populated).

Step 3. Click **Submit** to save the changes. The new property value is displayed under the Property Values section. To exit the window without saving the changes click **Cancel.**

Figure 5-50: Add a New Property Value

5.7.2.3 Editing a Property Value

To edit a Property Value:

Step 1. Click the document icon beside the value type in the **Property Values** section.

Step 2. On the **Property Value** window, edit the fields (fields marked with red asterisk must be populated).

Step 3. Click **Submit** to save the changes. The updated property value is displayed under the Property Values section. To exit the window without saving the changes click **Cancel.**

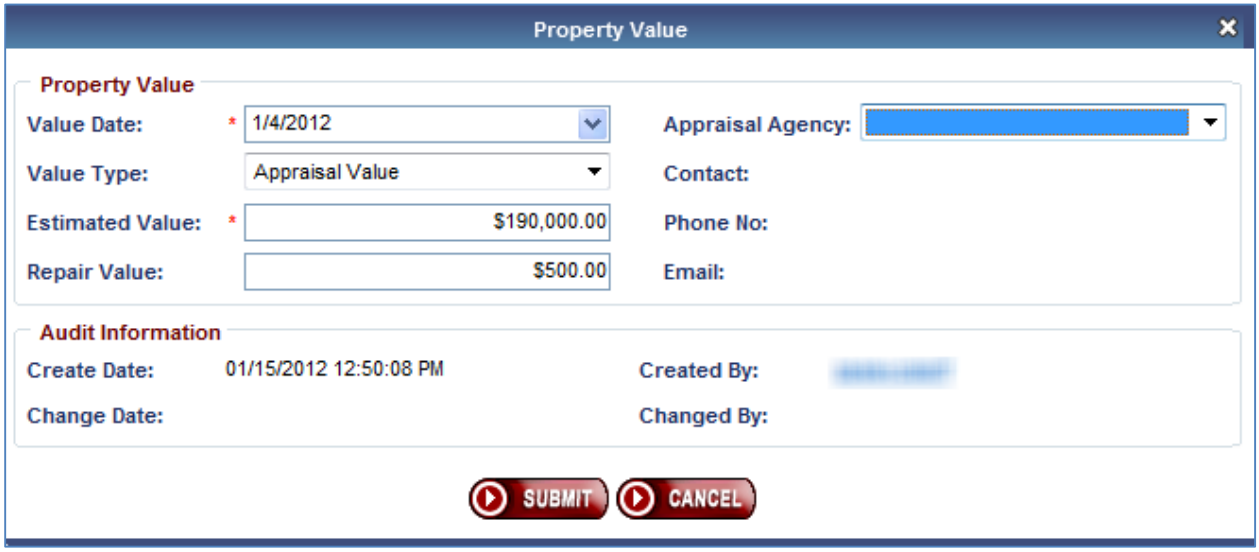


Figure 5-51: Edit Property Values Window

5.7.2.4 Deleting a Property Value

To delete a property value:

Step 1. Click the **cross** icon beside the value type in the Property Values section.

Step 2. A pop-up window is displayed requesting the user to confirm the action.

Step 3. Click **OK** on the pop-up window; the selected value will be deleted. To exit the pop-up window without deleting a value click **Cancel**.

The property value of Original Value Type cannot be deleted.

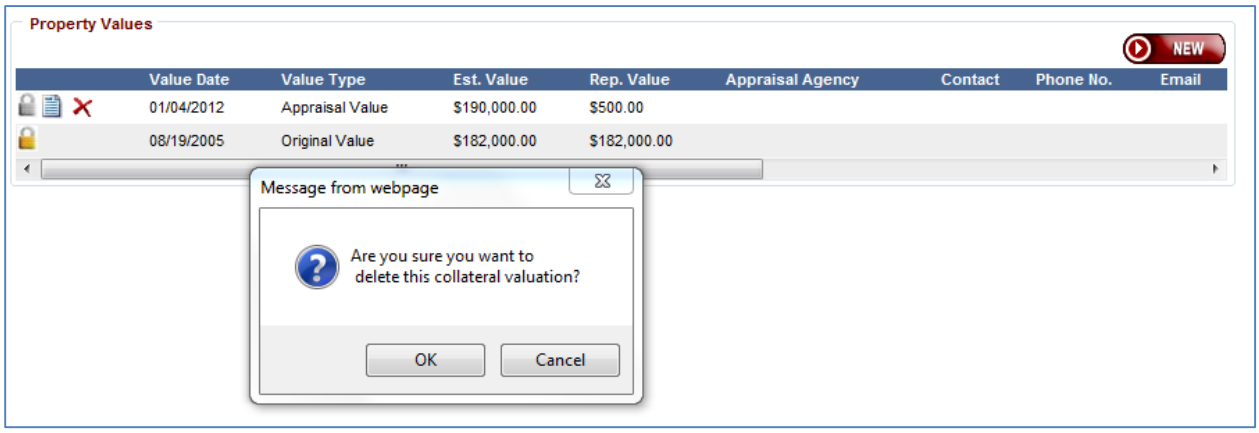


Figure 5-52: Delete Property Value Window

5.8 Documents

The Loan Documents screen is displayed when a user selects the Documents tab from the menu on the left side of the screen. This screen displays the letters, forms and documents associated with the loans. Authorized users can upload or delete documents.

The Documents screen displays the following sections:

- Header section - Loan/Borrower/Servicer/Balance Information
- Upload button
- View documents

5.8.1 Viewing Loan Documents

To view a document:

Step 1. Click the **View** link beside the document.
Step 2. The document opens as a PDF.

Figure 5-53: Loan Documents Screen

5.8.2 Uploading Loan Documents

To upload a document:

Step 1. Click **Upload** under the **Loan Documents** section.

Step 2. On the **Upload Document** window, select a document type to upload from the **Document Type** dropdown. Only PDF documents with maximum file size of 15 MB can be uploaded.

Step 3. Click **Browse** to select the location of the file (PDF).

Step 4. Enter a description of the document in the **Notes** field.

Step 5. Click **Upload** to save the document. An entry for this document is added to the **Loan Documents** section. To exit the window without uploading the document click **Cancel.**

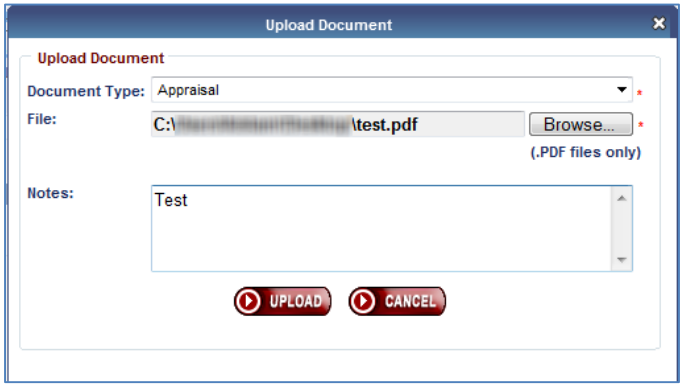


Figure 5-54: Upload Document Window

5.8.3 Deleting a Document

To delete a document:

Step 1. Click the **cross** icon beside the document in the **Loan Documents** screen.

Step 2. A pop-up window is displayed requesting the user to confirm the action.

Step 3. Click **OK** on the pop-up window, the selected document will be deleted. To exit the message window without deleting the document click Cancel.

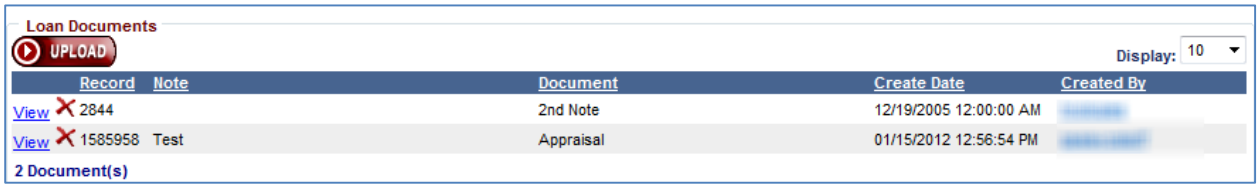


Figure 5-55: Delete Document

5.9 Notes

The Notes screen is displayed when a user selects the Notes tab from the menu on the left side of the screen. The notes screen displays notes added by the system (auto notes) and manually created by the users. Authorized users can add, edit or delete a note.

The Notes screen displays the following sections:

- **Notes Filter Criteria** – Allows users to filter and view specific notes type
- **New Notes** – Allows authorized users to add a note type
- **Print Notes** – Allows authorized users to print notes

5.9.1 Filtering Notes

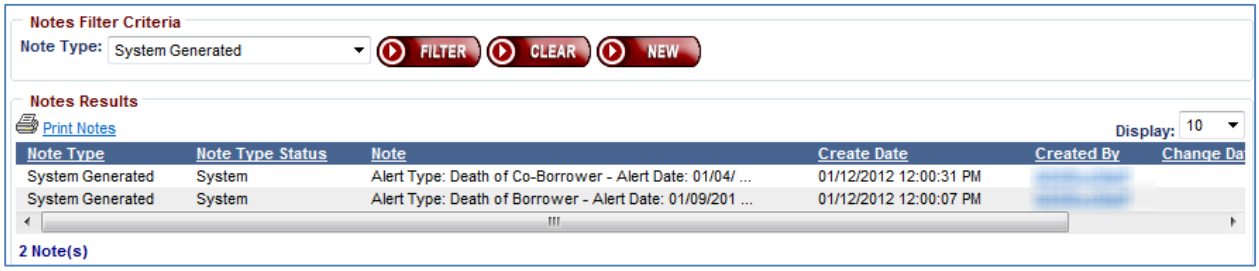


Figure 5-56: Filter Notes Window

The Notes Filter Criteria section of the Notes screen allows the user to apply filter and view selected notes type:

Step 1. Select the Note Type from the **Note Type** dropdown.

Step 2. Click **Filter** to view the filtered notes under the **Notes Results** section.

Step 3. Select **Clear** to clear the selected filers and view all notes.

5.9.2 Viewing a Note

To view a new Note Type:

Step 1. Click on the **Note** you want to view in the **Notes Filter Criteria** section.

Step 2. On the **Note Item,** click **Next** to view the next note on the loan**.**

Step 3. Click **Back** to view the previous note on the loan.

Step 4. Click **Cancel** to exit the screen.

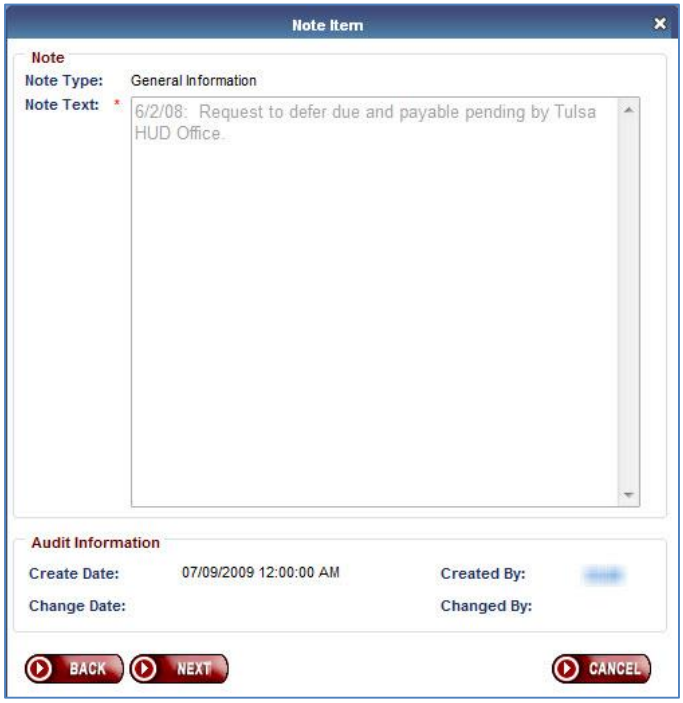


Figure 5-57: View Note Window

5.9.3 Adding a Note

To create a new Note Type:

Step 1. Click **New** in the Notes Filter Criteria section.

Step 2. On the Note Item screen, select a Note Type and enter a Note Text**.**

Step 3. Click **Submit.** The new note is reflected in the **Notes Results** section. To exit the screen without adding the note, click **Cancel**.

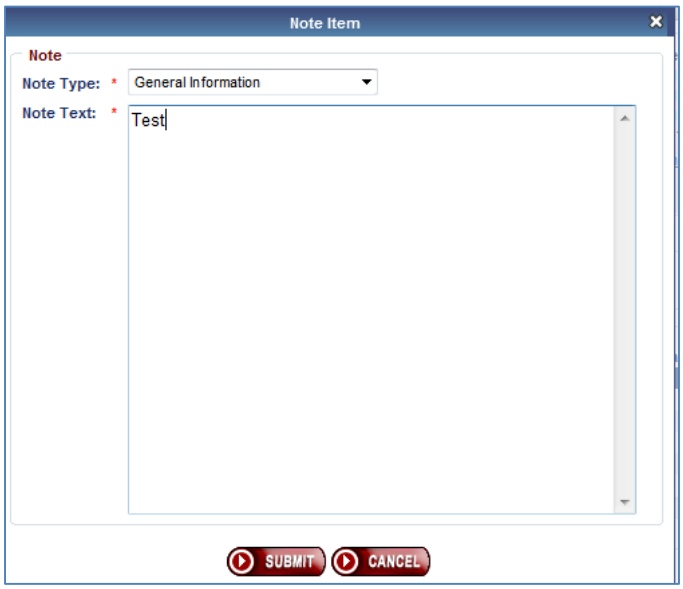


Figure 5-58: Create New Note Window

5.9.4 Editing a Note

To edit a Note Type:

Step 1. Click the **Note** you want to edit (system-generated auto notes cannot be edited), in the **Notes Filter Criteria** section.

Step 2. On the **Note Item** screen, edit the **Note Type** and **Note Text.**

Step 3. Click **Submit.** The updated note is reflected in the **Notes Results** section.

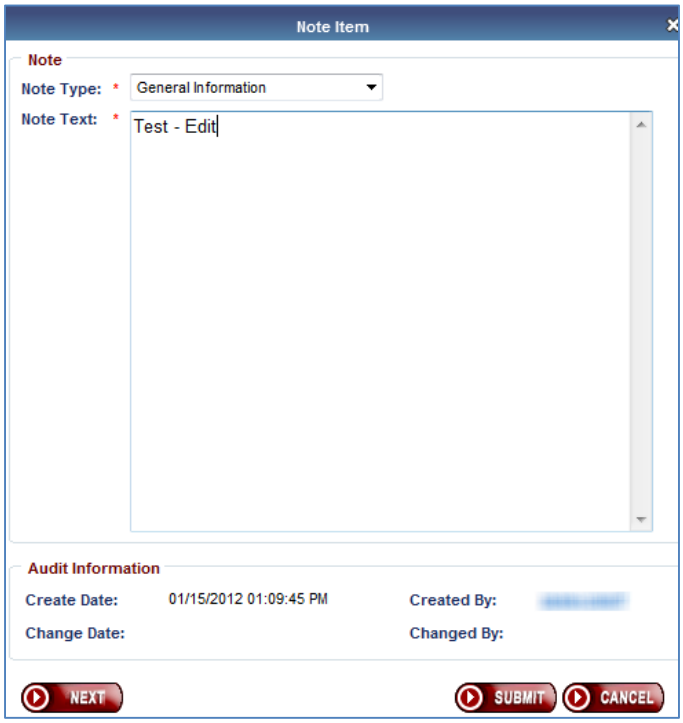


Figure 5-59: Edit Note Window

5.9.5 Deleting a Note

To delete a Note Type:

Step 1. Click the **cross icon** beside the note in the **Notes Filter Criteria** section. Authorized users other than managers can delete a note only on the same day as the day it was created. Manager roles can delete any note (except those that were system generated) created on any day.

Step 2. A pop-up window is displayed requesting the user to confirm the action.

Step 3. Click OK on the pop-up window, the selected note will be deleted. To exit the message window without deleting the document click Cancel.

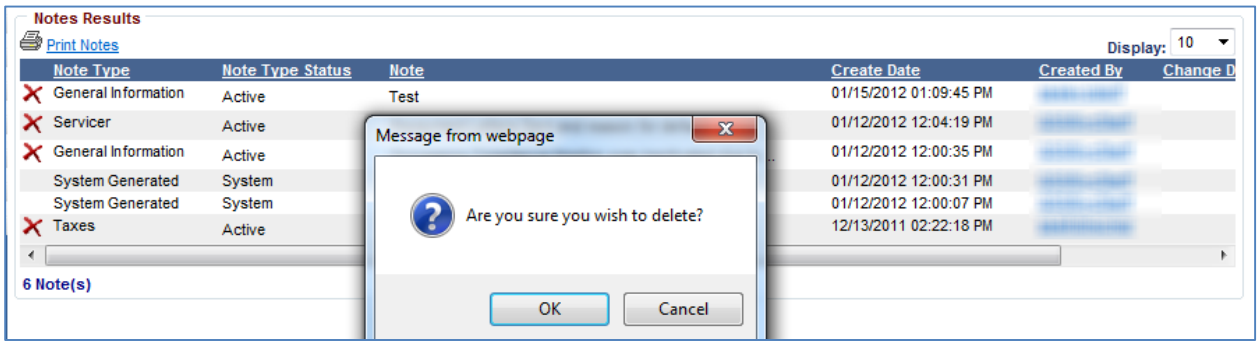


Figure 5-60: Delete Note Window

5.9.6 Printing Notes

To print the notes on a loan:

Step 1. Click the **Print Notes** link in the **Notes Filter Criteria** section. The notes are opened in a PDF file for printing.

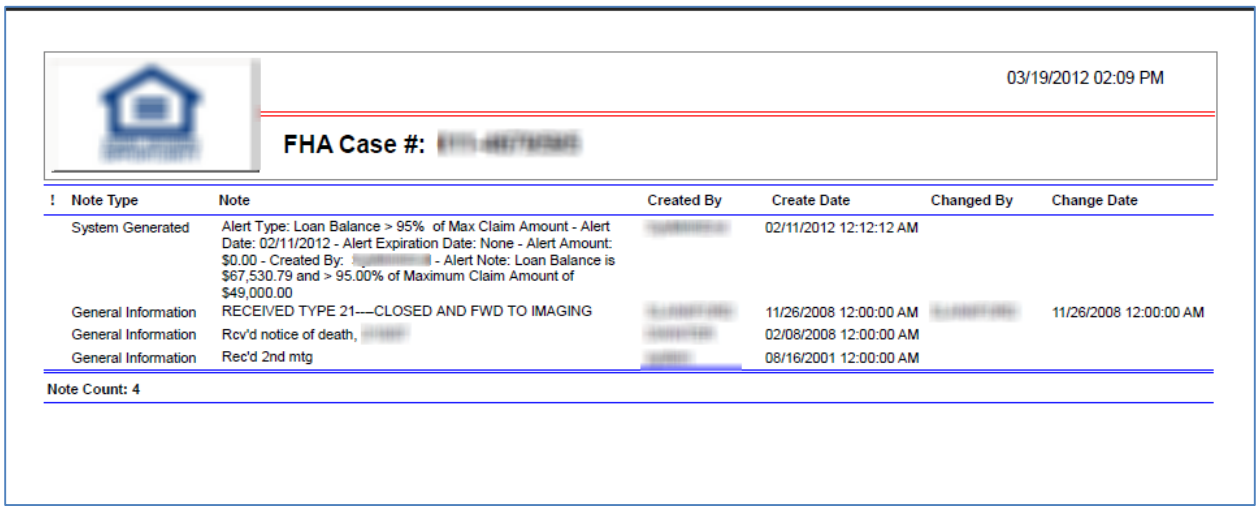


Figure 5-61: Print Notes

5.10 Audit Tracking

The Audit Filter Criteria screen is displayed when a user selects the Audit Tracking tab from the menu on the left side of the screen. The screen displays all audit data captured for the loan. Only authorized users can view the audit tracking information. Users can filter the audit data using the audit filter criteria.

5.10.1 Filtering Audit Information

The Audit Filter Criteria section of the Audit screen allows users to filter and view the audit information:

Step 1. Select the **Audit** field from the dropdown.

Step 2. Click **Filter** to view the filtered audit data under the **Audit Results** section.

Step 3. Click **Clear** to clear the selected filers and view all audit data.

The Audit Results section displays the following fields:

- **Audit Type:** The type of Audit on the loan
- **Original Value:** The original value of the audit type
- **New Value:** The new value of the audit type
- **Change Date:** The date the audit type values were modified
- **Changed By:** The name of the user role associated with the audit change

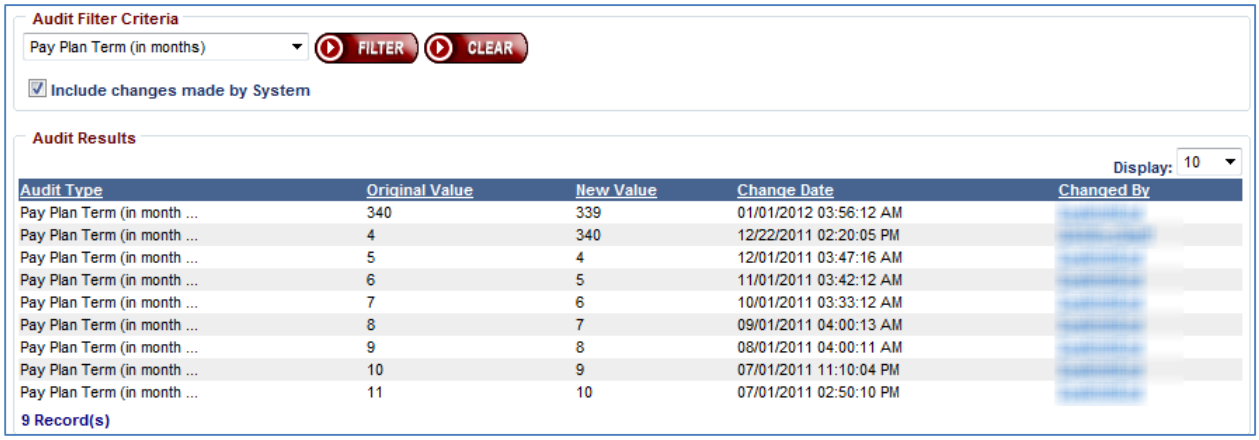


Figure 5-62: Audit Filter Window

5.11 Alerts

The Alerts screen is displayed when a user selects the Alerts tab from the menu on the left side of the screen. The Alerts screen shows all the active alerts added to the loan. The system automatically adds an alert when the alert condition is identified. In addition, the authorized users can manually add an alert to the loan. Authorized users can also create new alert types using the Alerts tab within Admin menu tab. (See **Chapter 10)**.

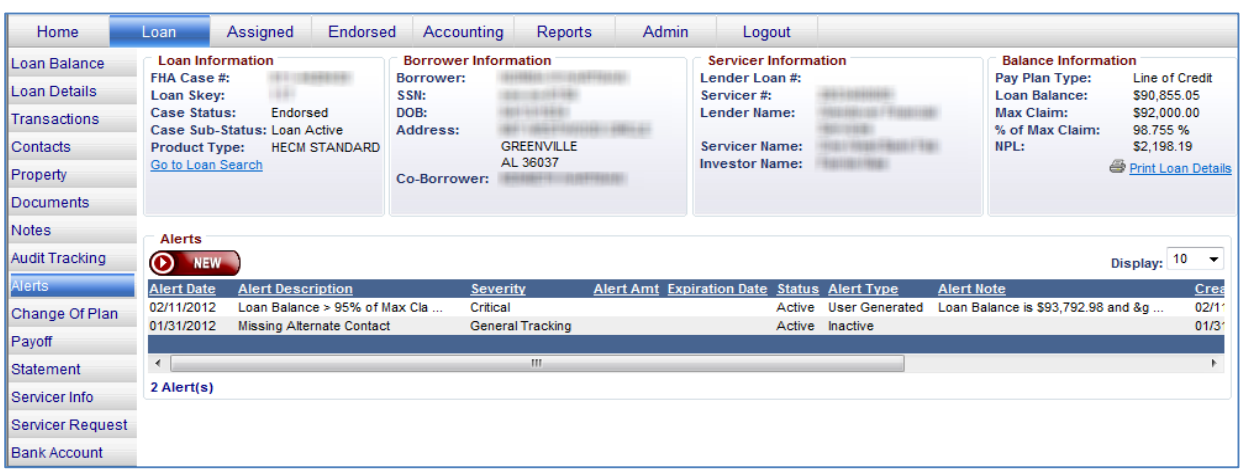


Figure 5-63: Alerts Screen

The Alerts section displays the following fields:

- **Alert Date:** The date the alert was generated

- **Alert Description:** The description associated with the alert type
- **Severity:** Severity of the alert, Critical or General Tracking
- **Alert Amt**: Any monetary amount associated with the alert
- **Expiration Date:** The date the alert expires. If the current system date is greater than the alert, expiration date, the alert is no longer displayed in the critical alerts pop-up window
- **Status:** Indicates the status of the alert (Active/Inactive)
- **Alert Type:** Indicates whether the alert is system generated or user generated
- **Alert Note:** A short note associated with the alert
- **Create Date:** The date the alert was created in the system
- **Created By:** The name of the user role who created the alert
- **Change Date:** The date the alert was modified/changed
- **Changed By:** The user that changed/modified the alert

5.11.1 Creating New Alerts

To create a new alert on a loan:

Step 1. Click **New** in the **Alerts** section.

Step 2. On the **New Alert** screen, select **Alert Type, Alert Date, Expiration Date, Alert Amount, and Status**. Enter an **Alert Note**.

Step 3. Click **Submit.** The new alert is displayed in the **Alerts** section. To exit without adding alert click **Cancel**.

Step 4. Once an alert is added, the alert cannot be deleted, but can be made inactive.

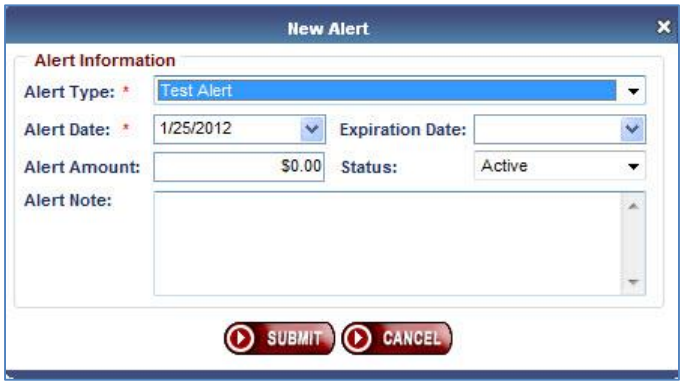


Figure 5-64: New Alert Window

5.11.2 Editing an Alert

To edit an alert on a loan:

Step 1. Click the **Alert** you want to edit (system-generated alerts cannot be edited), in the **Alerts** section.

Step 2. On the **Edit Alert** screen, edit the **Alert Date, Expiration Date, Alert Amount, Status** and **Alert Note.**

Step 3. Click **Submit.** The updated alert is reflected in the **Alerts** section. To exit without updating alert click **Cancel**.

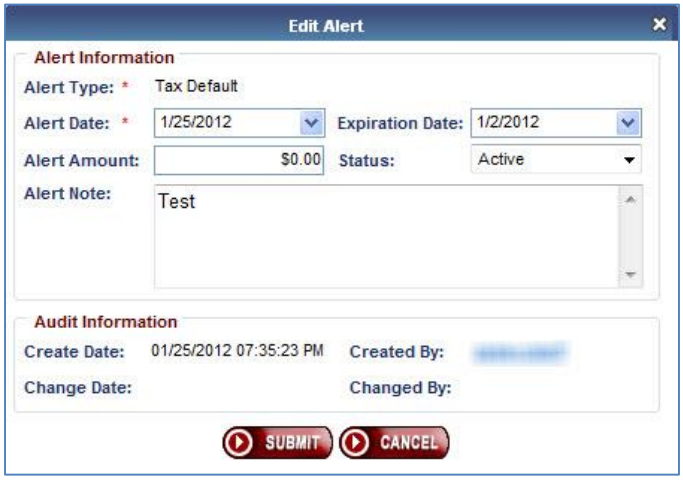


Figure 5-65: Edit Alert Window

5.12 Change of Plan

The Change of Plan screen is displayed when a user selects the Change of Plan tab from the menu on the left side of the screen. The Change of Plan screen shows the current payment plan and any prior payment plans associated with the loan.

The following conditions must be satisfied to initiate a change of plan:

- Authorized users can perform Change of Plan.
- The loan must have a case status of Pending IMIP Payment, Pending Endorsement or Endorsed and a sub-status of Loan Active.
- An effective date for a payment plan change must be after the last transaction and must be within the month in which the change takes effect.
- There is no option to edit the Change of Plan on a loan with pay plan type of Lump Sum.
- Authorized users cannot change from an existing pay plan type(Line of Credit, Tenure,Term,Modified tenure or Modified term) to Lump Sum.

The Servicing Module currently allows the following five payment plans for HECM Cases:

Payment Plan	Description
Line of credit	A borrower can make withdrawals up to a maximum amount, at times, and in amounts, of the borrower's choosing.
Tenure	A borrower receives monthly payments from the lender for as long as the borrower lives and continues to occupy the home as a principal residence.
Term	A borrower receives monthly payments for a fixed period selected by the borrower.
Modified tenure	The tenure option is combined with a line of credit.
Modified term	The term option is combined with a line of credit

Table 5-13: Payment Plan Types

5.12.1 Viewing a Payment Plan

To view a payment plan:

Step 1. Select the record to display the **Pay Plan Details** section and **Audit Information** sections. The **Pay Plan Details** section displays the following details of the payment plan selected in **Pay Plans** section:

- **Gross Monthly Payment:** The monthly payment made to a borrower
- **Monthly T&I Wld:** The monthly taxes and insurance amount withheld
- **Net Monthly Payment:** The gross monthly payment – Monthly T & I withheld
- **Term of Payments:** The number of payment months
- **Monthly Serv Fee:** The monthly service fee charged by the servicer

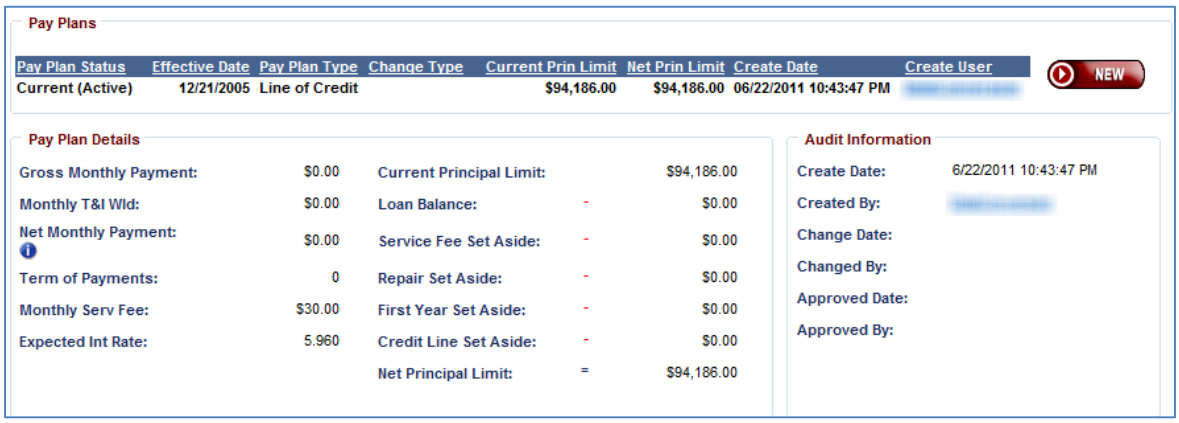


Figure 5-66: View Payment Plan Window

5.12.2 Creating a New Payment Plan

To create a new payment plan:

Step 1. Click **New** in the **Pay Plans** section.

Step 2. On the **Change Payment Plan** window, enter the required data fields (marked with red asterisk).

Step 3. Click **OK** to save the changes**.** The new pay plan is displayed in the **Pay Plans** section. To exit without adding a new pay plan click **Cancel**.

Step 4. The pay plan status of the new payment plan will be the Current (Active) and the previous payment plan will be updated to the Previous.

Step 5. Based on the change of plan fee entered on the **Change Payment Plan** window, the change of plan fee transaction is automatically generated by the system and displayed in the **Transactions - Loan** screen.

Figure 5-67: Create New Pay Plan Window

5.13 Payoff

The Payoff Info screen is displayed when a user selects the Payoff tab from the menu on the left side of the screen. The screen displays the payoff amount as of the selected payoff date. Only authorized users can access the Payoff Info screen. The system also allows authorized users to do the following functions:

- Preview Payoff Statement
- Print Payoff Statement

5.13.1 Viewing a Payoff Statement

To view a borrower's loan payoff statement:

Step 1. Select the Payoff date and then click **Preview Payoff Statement** link on the **Payoff Info** screen.

Step 2. The Payoff Statement is displayed in a new window.

Figure 5-68: View Payoff Statement Screen

5.13.2 Printing a Payoff Statement

To print a borrower's loan payoff statement:

Step 1. Click **Print Payoff Statement** on the Payoff Info screen.

Step 2. The Payoff Statement for this loan is displayed and is automatically saved on the Documents tab.

Step 3. Click the **Print** option on the PDF file to print the statement.

5.14 Statement

The Monthly Statement screen is displayed when an authorized user selects the Statement tab from the menu on the left side of the screen. The screen displays the monthly statement amount details as of the selected reporting period. Only authorized users have access to the Statement screen. This screen also allows printing the Monthly Statement for a selected month.

5.14.1 Viewing and Printing a Monthly Statement

To view and print a monthly statement:

Step 1. From the Reporting Period dropdown box, select the month for which the statement needs to be viewed or printed.

Step 2. Click **Print Monthly Statement.**

Step 3. The monthly statement is displayed in a PDF file.

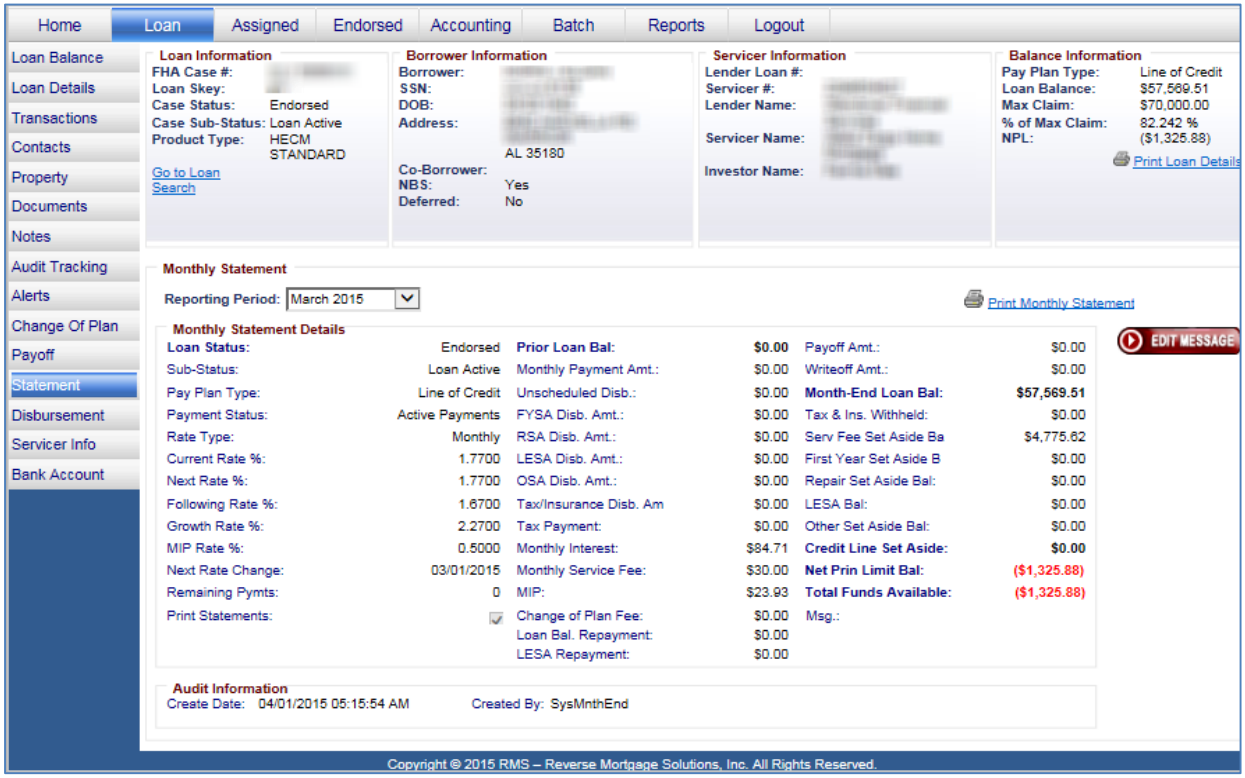


Figure 5-69: View Monthly Statement Screen

5.14.2 Editing the Monthly Statement Message

To edit the monthly statement message:

Step 1. Click **Statement**.

Step 2. Click **Edit Message**.

Step 3. In the **Custom Message** section, enter the message.

Step 4. Select the checkbox for **Repeat this message on future statement if required.**

Step 5. Click **OK** to save the message.

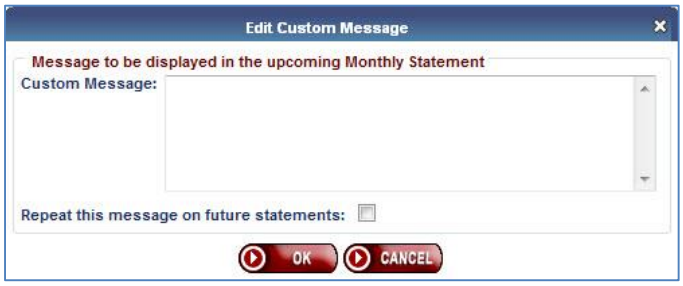


Figure 5-70: Edit Monthly Statement Message Window

5.15 Servicer Info

The Lender, Servicer and Investor information is displayed when a user selects the Servicer Info tab from the menu on the left side of the screen. This screen allows servicers, lenders, and investors to transfer the Case from one servicer/investor to other. The Servicer Information and Investor Information can be viewed and edited by the authorized (Servicer or Investor role) users. Bank information of a particular servicer/investor can only be viewed or edited by the authorized users belonging to the same firm. For loans in a cancelled status, no user can view or modify the bank account information for a Servicer or Investor.

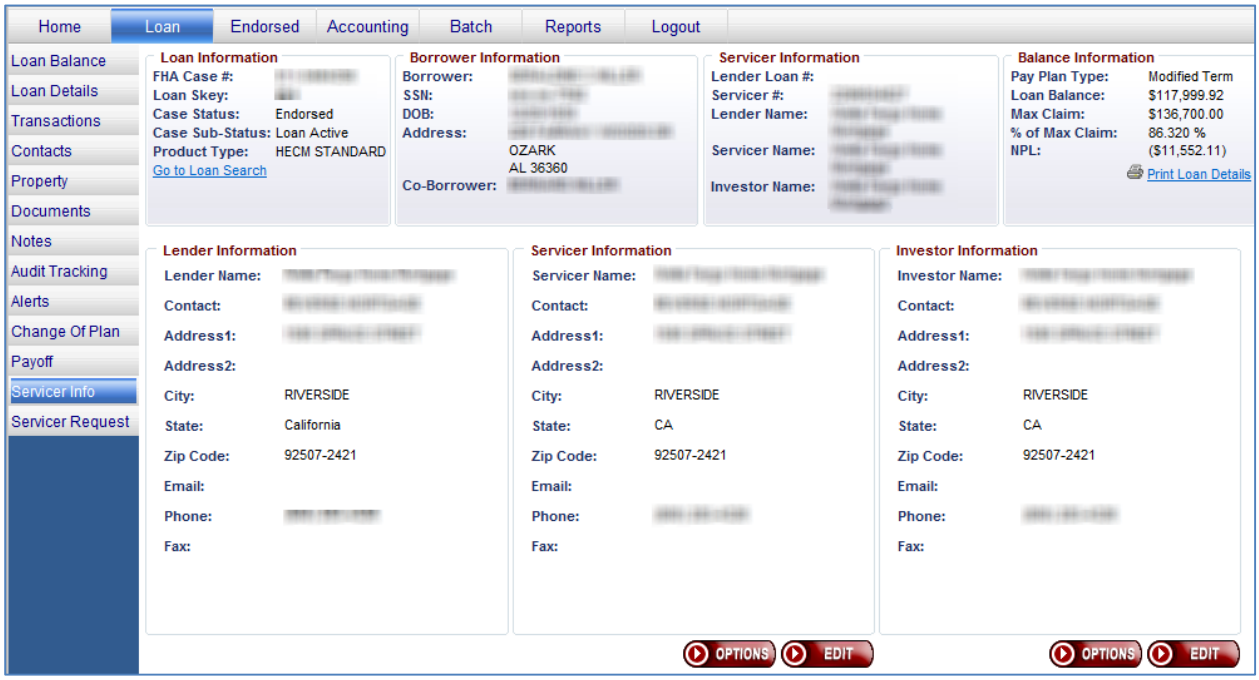


Figure 5-71: Servicer Information Screen

5.15.1 Transferring a Case to a Servicer

To transfer the servicer information for the selected loan:

Step 1. Click **Edit** in the Servicer Information section.

Step 2. On the **Edit Servicer** window, select a servicer from the dropdown.

Step 3. Change the **Servicer Name**.

Step 4. The contact information for the selected servicer is displayed.

Step 5. Select the effective transfer date (this is the first date of the month when the transfer must occur) from the dropdown.

Step 6. Click **Submit** to save the changes. The new information is displayed in the **Servicer Information** section.

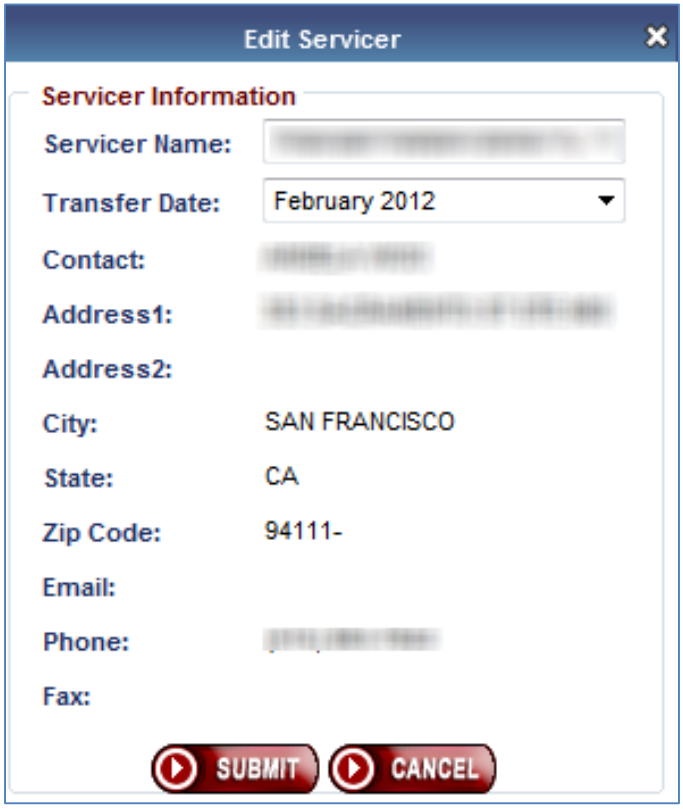


Figure 5-72: Transfer Servicer

5.15.2 Editing Servicer Bank Information

To edit the servicer bank information for a selected loan:

Step 1. Click **Options** in the **Servicer Information** section.

Step 2. On the **Edit Servicer Bank Account** window, modify ABA Routing #, Account #, Confirm Account # Tax ID#.

Step 3. Click **Submit** to save the changes.

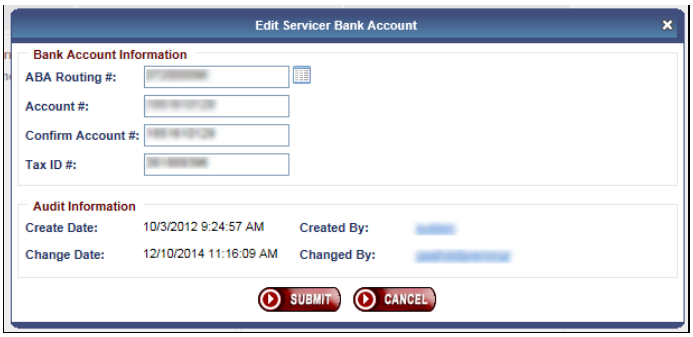


Figure 5-73: Edit Servicer Bank Account Information Window

5.15.3 Transferring a Case to an Investor

To transfer the investor information for the selected loan:

Step 1. Click **Edit** in the **Investor Information** section.

Step 2. On the **Edit Investor** screen, select an investor from the dropdown.

Step 3. The contact information for the selected investor is displayed.

Step 4. Click **Submit** to save the changes. The new information is displayed in the **Investor Information** section.

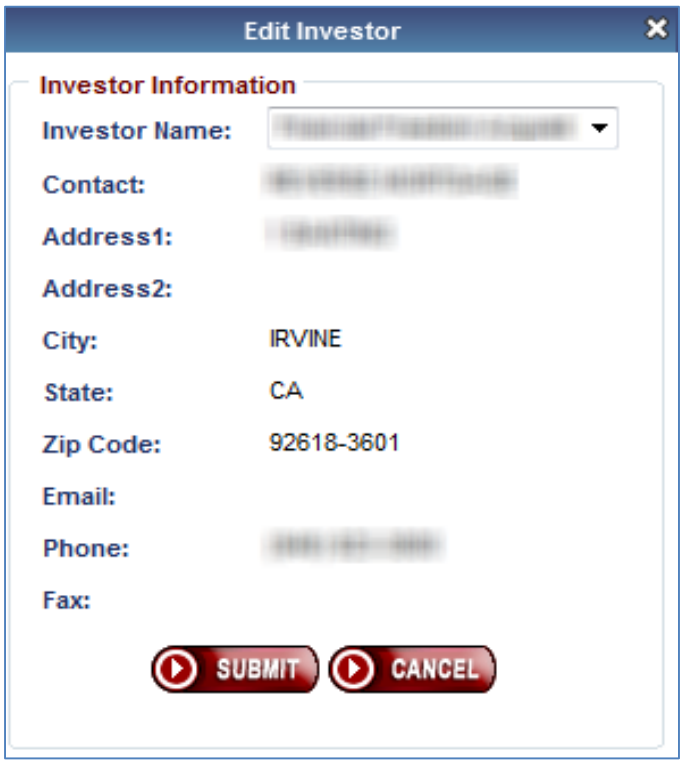


Figure 5-74: Transfer Investor Window

5.15.4 Editing Investor Bank Information

To edit the investor bank information for a selected loan:

Step 1. Click **Options** in the **Investor Information** section.

Step 2. On the **Edit Investor Bank Account** window, modify ABA Routing #, Account #, Confirm Account #.

Step 3. Click **Submit** to save the changes.

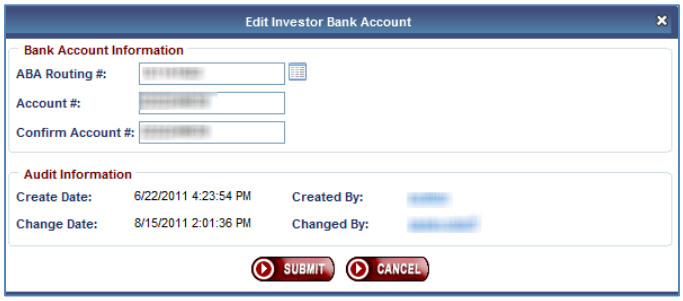


Figure 5-75: Edit Investor Bank Account Information Window

5.16 Servicer Request

The Servicing Management Information screen is displayed when an authorized user selects the Servicer Request tab from the menu on the left side of the screen. This screen allows servicers to initiate Endorsed timelines that require servicer and HUD interaction. The following timelines are available under the Request Type dropdown:

- Requests Timeline Category:
  - Certificate of Indebtedness (COI)
  - Consent of Lienholder
  - Due and Payable w/ HUD Approval
  - Extension – Claim Filing
  - Extension – Deed-In-Lieu
  - Extension – Repairs
  - Extension – Request to delay foreclosure
  - Investor Short sale
  - Partial Release
  - Preservation and Protection
  - Request for HUD Advance (Assignment)
  - Subordination
  - Zero Balance
  - Payoff Request
- Claims Timeline Category
  - Claim Type 21 –DIL/FCL
  - Claim Type 22 –Assignment
  - Claim Type 23 –Short Sale/ Mortgagor's Sale (Pre-Fcl)
  - Claim Type 24 –HECM Supplemental

Timelines are pre-defined steps to track a specific business event. Refer to **Chapter 7** for details on all the timelines available within the Servicing Module.

To initiate a timeline:

Step 1. Select the **Request Type** from the dropdown.

Step 2. Populate the required fields (marked with an asterisk) for the selected timeline.

Step 3. Click **Submit** to add the timeline. The user will be navigated to the selected timeline steps screen.

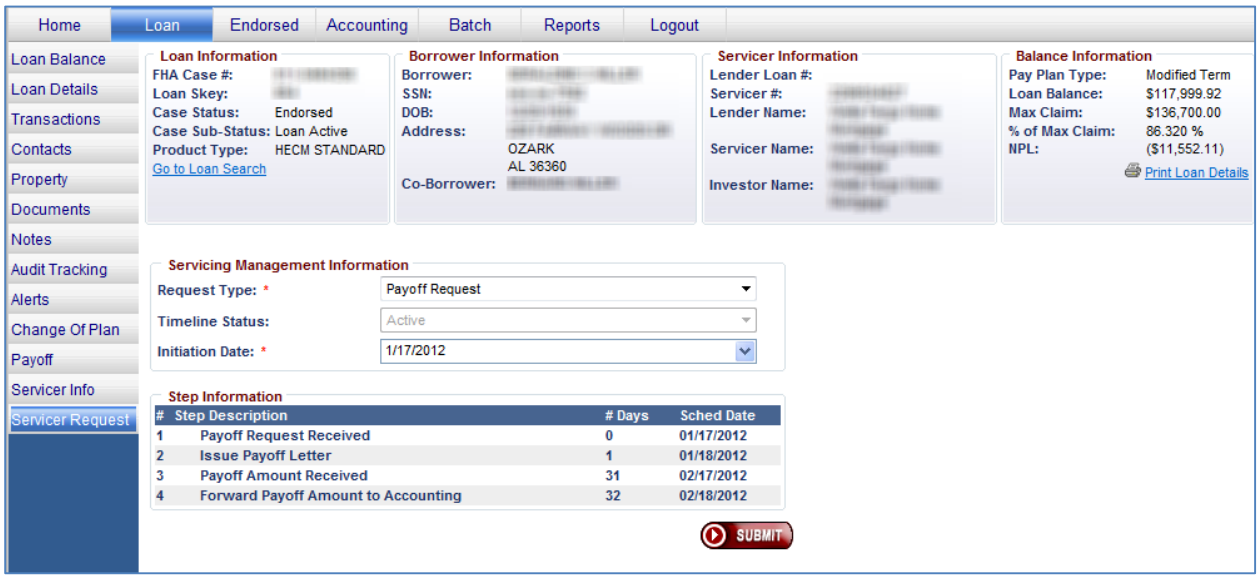


Figure 5-76: Servicer Request Screen

5.17 Bank Account

The Borrower Bank Account Information screen is displayed when an authorized user selects the Bank Account tab from the menu on the left side of the screen. The Bank Account information will be used by the system to make the payments to the borrower (if payment method is selected as ACH). For Endorsed loans, when a CT 22 – Assignment timeline is initiated and step HUD Issued Preliminary Title Approval is completed, the lender/servicer will not have access to general servicing functions to initiate any transactions. This screen can be used by lender/servicer prior to Assignment process to edit the Payment Method and Borrower's Bank Account information.

5.17.1 Editing Borrower Bank Account Information

To edit the bank account or payment method:

Step 1. Click **Edit** on the **Borrower Bank Account Information** section.

Step 2. To auto-populate the ABA routing number, click the **notepad icon** beside the field. A new window is displayed with bank name.

Step 3. Enter the **Bank Name** and click **Search.**

Step 4. From the search results, select the **Bank Name.** The ABA Routing Number of the Bank is populated.

Step 5. Enter the other fields on the **Bank Account Information** section.

Step 6. Click the dropdown list to update the **Payment Method** and select **Check/ACH**.

Step 7. Click **Submit** to save the changes. The updated information is displayed on the **Borrower Bank Account Information** section.

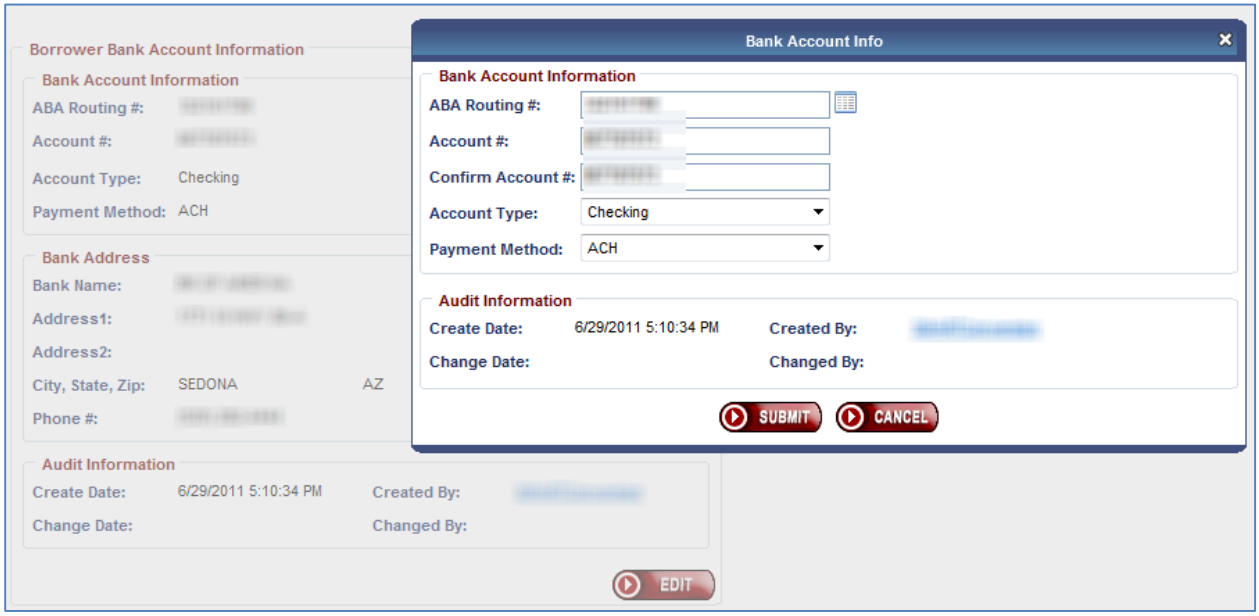


Figure 5-77: Edit Borrower Bank Account Information Window

5.18 Accounting

The Accounting tab available on the top menu allows authorized users to track the status of the payable and receivable transactions associated with a loan. The Accounting tab has the following sub-menu options:

- Transmittals
- Disbursements
- Authorizations
- Premiums
- Refunds
- Claims

5.18.1 Transmittals

The Transmittal screen is displayed when an authorized user selects the Transmittal under the Accounting tab displayed in the top menu. This screen provides the history of all the batches generated in the Servicing Module and sent to the Accounting Module for payment processing. The transactions include Premiums (IMIP, MIP, and Refunds), Notes (Disbursements, Monthly Accruals, Other) and Claims (Payables and Receivables).

5.18.1.1 IMIP/Refunds/MMIP

To generate the daily IMIP and Refunds transactions initiated in HERMIT system for the prior day, the lenders/servicers must access the Transmittals screen the next day. Given below is the suggested search criteria:

- For IMIP transactions: Select **Batch Type** = Initial MIP Due and the **Created Date** = Prior day
- For approved Refund transactions: Select **Batch Type** = Refunds and the **Created Date** = Prior day

To generate the MMIP transactions initiated in HERMIT system, select **Batch Type** = Monthly MIP Due and the **Created Date** = current month

To generate the batch extract:

Step 1. Enter the search criteria and click Search on the **Transmittals Search** section.

Step 2. The search results matching the search criteria are displayed in the **Transmittal Search Results** section.

Step 3. Select **Export to Excel** to export the results in an excel file.

The Transmittal screen provides the following search criteria:

Field	Description
Batch #	Unique ID for each batch
Batch Type	Selection from dropdown values
Servicer Name	Name of the Servicer servicing the loan.
Created Date (From and To Dates)	Date the batch was created
Batch Status Category	Selection from dropdown values

Table 5-14: Transmittal Screen Search Criteria

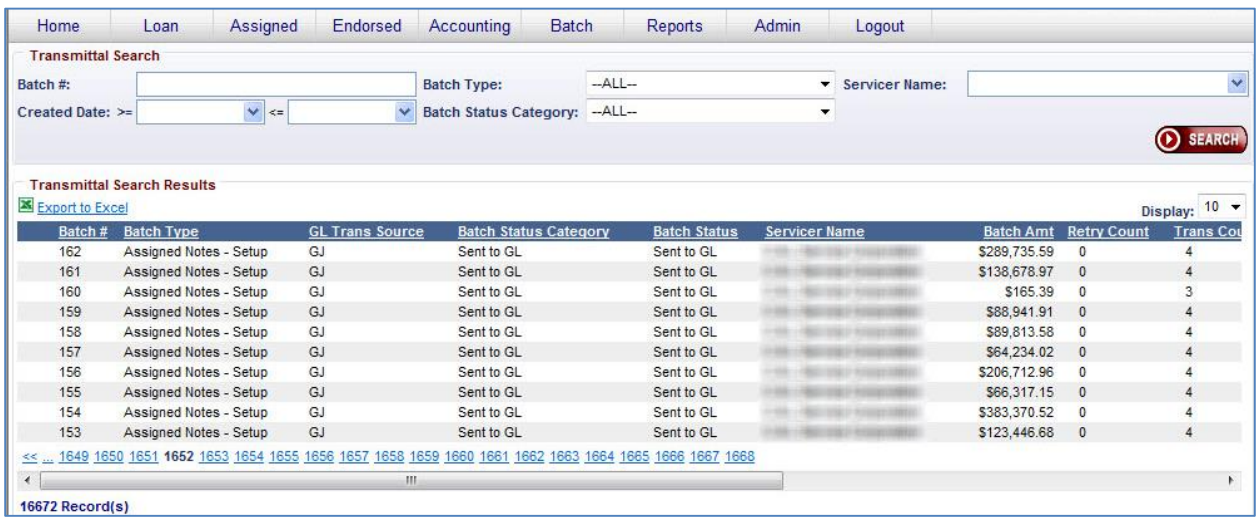


Figure 5-78: Transmittals Search Results Screen

5.18.1.2 Viewing Transmittal Details

The Transmittal Search Results data set is listed in the below table.

Field Name	Detailed Description
Batch#	Unique ID for each batch.
Batch Type	Type of Batch for which collection/payment is made.
GL Trans Source	Receivable or Payable generated for the batch.
Batch Status Category	Category of the Batch Status. Refer below tables for descriptions.
Batch Status	Status of the Batch. Refer below tables for descriptions.
Servicer Name	Name of the Servicer servicing the loan.
Batch Amt	Total amount associated with the batch.

Field Name	Detailed Description
Retry Count	Count of retry of the batch sent for collection/payment if initial attempt was failed.
Trans Count	Count of transactions in a batch.
Ref No	Reference Number of the batch.
GL Sent Date	Date the batch was sent to GL notifying collection/payment request.
Sent Conf Date	Date the batch was sent to GL confirming collection/payment request.
Posted Date	Date the collection was successful at Pay.Gov.
Create Date	Date the batch was created in the system.

Table 5-15: Transmittal Search Result Dataset

5.18.1.3 Premiums Batch Statuses

The Premiums transaction batch statuses are listed in the table below.

Batch Status Category	Batch Status	Detailed Description
Ready to Transmit/Retry	Ready to Transmit	Batch created but interface file not generated yet.
Ready to Transmit/Retry	Ready To Retry	Servicer has fixed bank info or NSF issues and has authorized a retry of Collection.
Sent to GL	Sent to GL	Batch created and file sent to Accounting Module and waiting on Response from Accounting Module.
Receivable/Payable Established	Success - Disbursed	Batch was successfully uploaded in AM.
Receivable/Payable Established	Disbursed	Payment was successfully completed.
Collection/Payment Collected	Settled	Collection was successfully completed in Pay.gov.
Collection/Payment Collected	Rejected	Payment was cancelled for some reason in Pay.gov.
Failed	Retired	Collection was not completed in pay.gov (probably due to NSF).
Failure – Technical Issues	Failure	Batch could not be uploaded primarily due to technical or format issues.
Failure – Technical Issues	Failed	Collection batch had an interface error with Pay.gov.
Receivable/Payable Established	Success-Collect	Batch was successfully uploaded in AM.

Table 5-16: Premiums Batch Statuses

5.18.1.4 Claims Batch Statuses

The Claims transaction batch statuses are listed in the table below

Batch Status Category	Batch Status	Detailed Description
Ready to Transmit/Retry	Ready to Transmit Held	Claims payable/receivable batch created but interface file not generated yet.
Ready to Transmit/Retry	Ready To Retry	Lender has fixed bank info or NSF issues and has authorized a retry of collection.
Sent to GL	Sent to GL Held	Claims payable/receivable batch created and file sent to Accounting Module and waiting on response from Accounting Module.
Receivable/Payable Established	Success - Held	Claims payable/receivable batch was Successfully uploaded in Accounting Module.
Failure – Technical Issues	Failure - Held	Claims payable/receivable batch could not be uploaded primarily due to technical or format issues.
Ready to Transmit/Retry	Ready to Transmit Disburse	Claims payable release batch created but interface file not generated yet.
Sent to GL	Sent to GL Disburse	Claims payable release batch created and file sent to Accounting Module and waiting on response from Accounting Module.
Receivable/Payable Established	Success - Disburse	Claims payable batch release was successfully uploaded in Accounting Module.
Failure – Technical Issues	Failure - Disburse	Claims payable release batch could not be uploaded primarily due to technical or format issues.
Receivable/Payable Established	Disbursed	Payment was successfully completed.
Failed	Rejected	Claims Payment was cancelled for some reason in pay.gov.
Ready to Transmit/Retry	Ready to Transmit Collect	Claims receivable release batch created but Interface file not generated yet.
Sent to GL	Sent to GL Collect	Claims receivable release batch created and file sent to Accounting Module and waiting on response from Accounting Module.
Collection/Payment Collected	Success - Collect	Claims receivable release batch was successfully uploaded in Accounting Module.
Failure – Technical Issues	Failure – Collect	Claims receivable release batch could not be uploaded primarily due to technical or format issues.
Collection/Payment Collected	Settled	Collection was Successful in Pay.gov.
Failed	Retired	Collection was not completed in Pay.gov (probably due to NSF).

Table 5-17: Claims Batch Statuses

5.18.1.5 Viewing Batch Details

To view batch details:

Step 1. Enter the search criteria and click **Search** on the **Transmittals Search** section.

Step 2. The search results matching the search criteria are displayed in the **Transmittal Search Results** section.

Step 3. Select a record displayed in the search results. The **Batch Details** screen is displayed.

- **Batch Details:** Displays the loans/FHA cases sent to the Accounting Module in that batch. The details of the batch vary and depend on the batch type selected.
- **Audit Tracking:** Enables users to view the audit of the batch status values

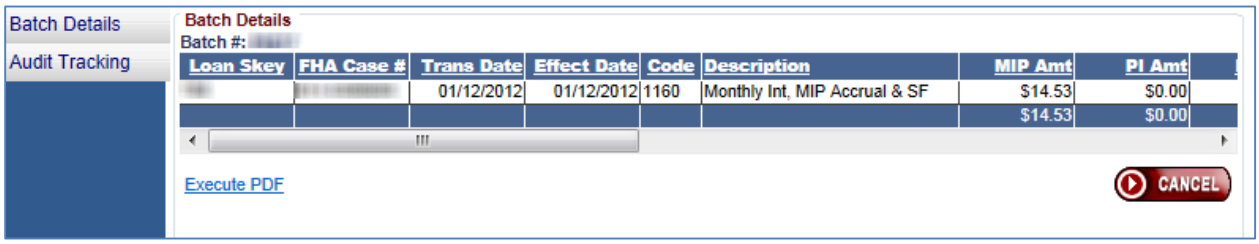


Figure 5-79: Batch Details Screen

Step 4. Select the **Audit Tracking** menu on the **Batch Details** screen to view the **Audit Results** screen.

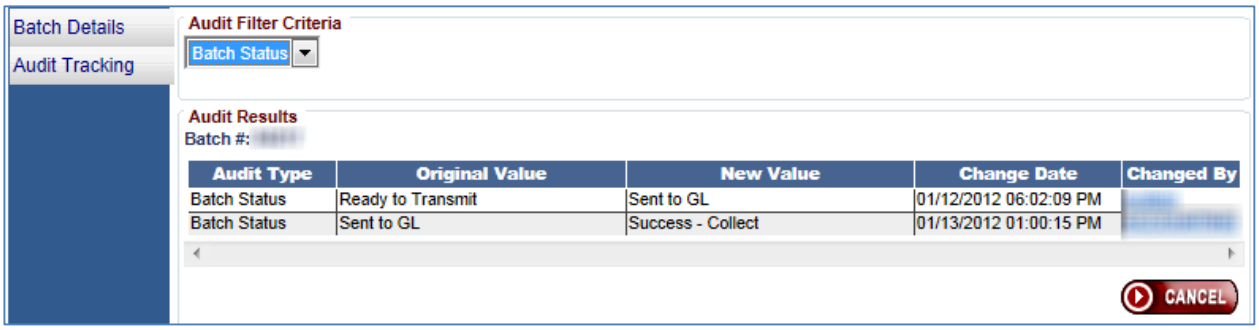


Figure 5-80: Audit Results Screen

5.18.1.6 Retry Batch

To retry a failed batch:

Step 1. Enter the search criteria and click **Search** on the **Transmittals Search** section to display the failed transactions.

Step 2. The search results matching the search criteria are displayed in the **Transmittal Search Results** section.

Step 3. Select the Retry link beside the record displayed in the search results. **The Retry Batch** window is displayed.

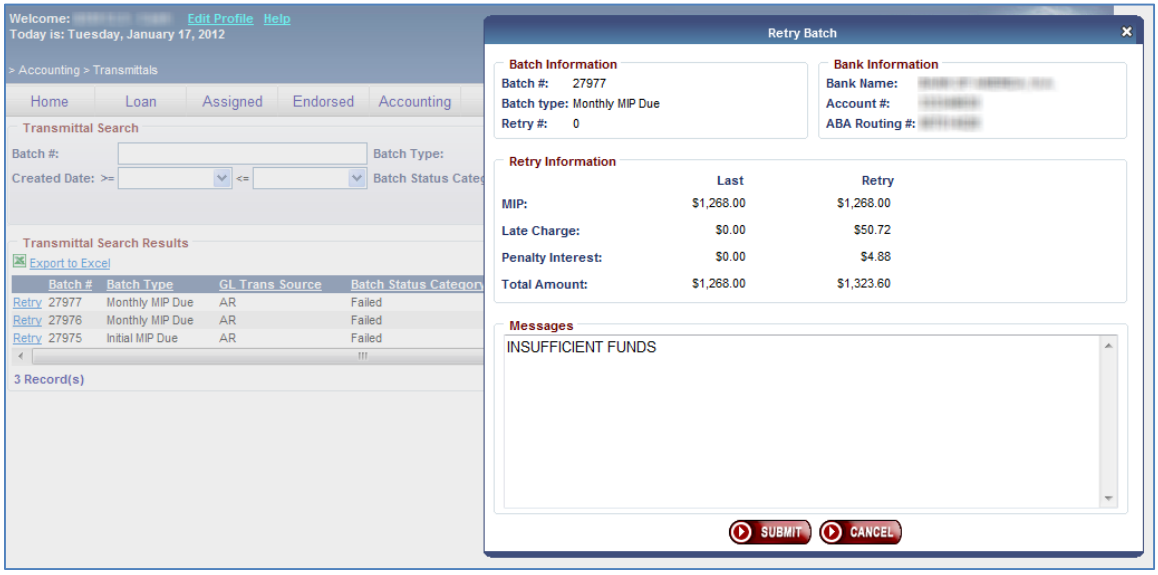


Figure 5-81: Retry Batch Window

Step 4. Edit the message if needed and click **Submit** to resend the transactions within the batch to Accounting Module for collections.

Step 5. If there is a difference in the collection amount (such as late charge or penalty) at the time of retry, the batch will create supplemental adjustment transaction for the additional amount.

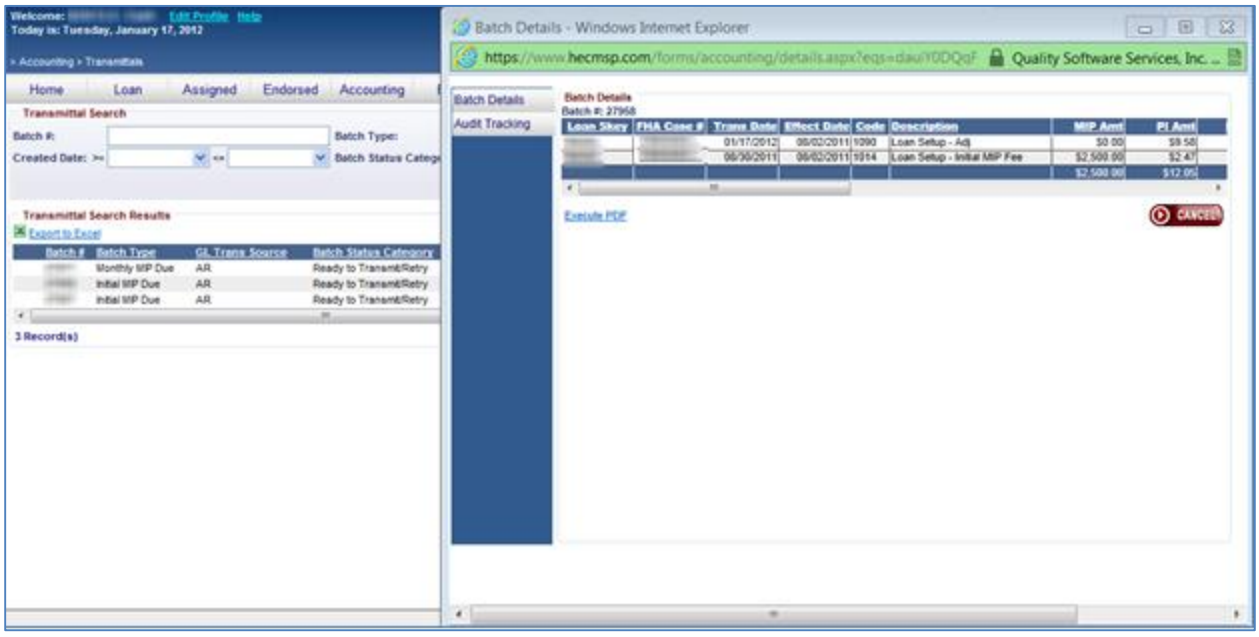


Figure 5-82: Supplement Transaction Due to Retry Batch

5.18.2 Premiums

The Premiums screen is displayed when an authorized user selects Premiums under the Accounting tab displayed in the top menu. This screen displays the IMIP and IMIP-adjustment transactions.

The Premiums screen provides the following search criteria:

Field	Description
Loan Skey	Unique ID for each FHA Case.
FHA Case #	The HECM Case number.
Case Status	Selection from dropdown values.
Batch Status	Selection from dropdown values.
Trans Date	The transaction created date (from and to dates).
Servicer Name	Name of the servicer on the loan.
Lender Name	Name of the lender on the loan.

Table 5-18: Search Criteria for Premiums

Step 1. Enter the search criteria and click **Search** on the **Premiums** screen to display the transactions. Upon selection of a record, the user is navigated to the **Loan Balance** screen for the selected loan.

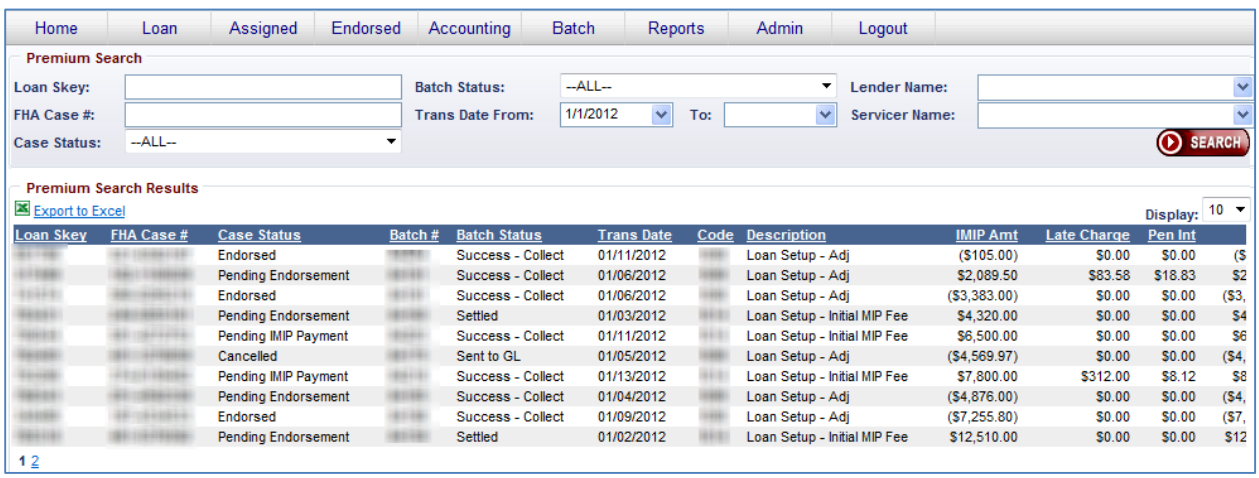


Figure 5-83: Premiums Screen

5.18.3 Refunds

The Refunds screen is displayed when an authorized user selects Refunds under the Accounting tab displayed in the top menu. This screen displays the refund transactions for late charges and penalty interests that need an approval for payment. Only the HUD SF premiums manager can approve or deny the refund. Upon approval, the transaction will be released to the Accounting Module for disbursement.

The Refund screen provides the following search criteria:

Field	Description
Loan Skey	Unique ID for each FHA Case.
FHA Case #	The HECM Case number.
Servicer Name	Name of the servicer on the loan.
Lender Name	Name of the lender on the loan.
Investor Name	Name of the investor on the loan.
Refund Type	Selection from dropdown values.
Refund Status	Selection from dropdown values.

Table 5-19: Search Criteria for Refunds

To approve or deny a refund:

Step 1. Enter the search criteria and click **Search** on the **Refunds** screen to display the Pending refund transactions.

Step 2. The search results matching the search criteria are displayed in the **Search Results** section.

Step 3. Select the record displayed in the search results. The **Refund Information** window is displayed.

Step 4. On the **Refund Information** window, select Approved or Denied values from the **Refund Status** dropdown box. Optionally add Appr/Deny Reason and Refund Comments.

Step 5. Click **Submit** to save the changes. The Refund Status changes to Approved/Denied based on the selection in previous step. To exit the window without saving the changes, click **Cancel**.

Step 6. Once approved by the HUD SF Premiums Manager, the payable transaction is released to the Accounting Module for disbursement. The updated batch status of the transaction can be viewed using the Transmittals screen.

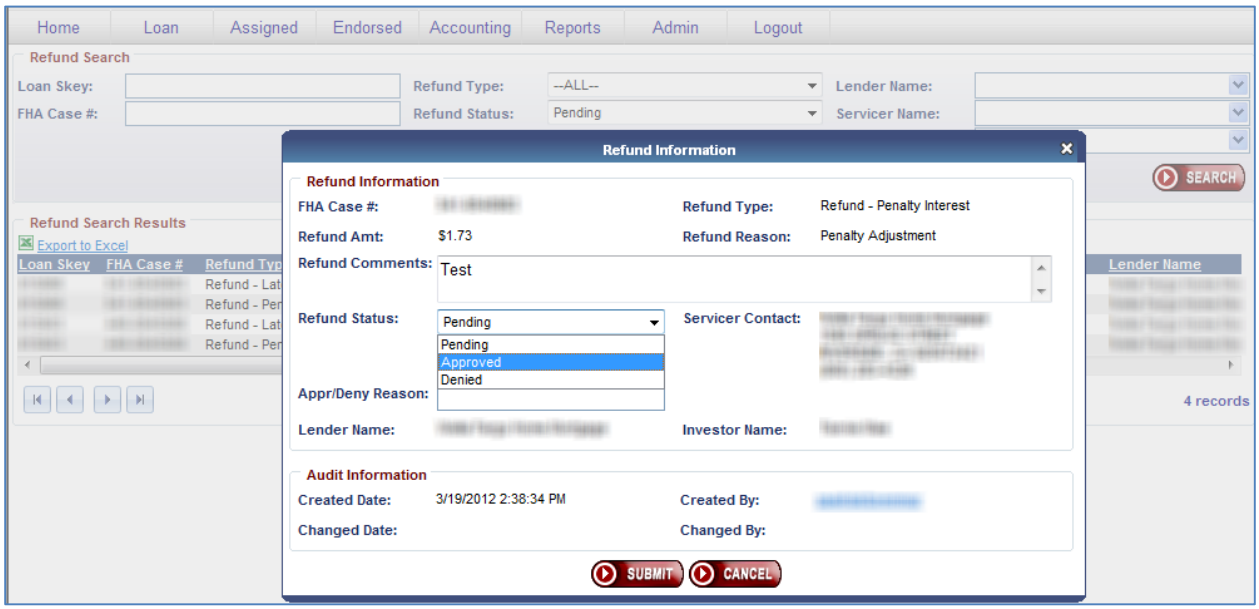


Figure 5-84: Edit Refund Information Window

5.18.4 Claims

The Claims screen is displayed when an authorized user selects Claims under the Accounting tab displayed in the top menu. This screen displays the claims payable transactions upon approval of a claim by the HUD Claims Branch. Authorized users can cancel the claim payment on this screen. The cancellation must be done before the claims transaction file is sent to the Accounting Module for that day. Once the transaction has been sent to the Accounting Module, the payment cannot be cancelled. Upon payment confirmation from the Accounting Module, the claim transaction will no longer be displayed on the screen.

The screen also allows the user to search for claims that have been approved, denied and cancelled for payment after an approval, and no pay order after approval of claim.

The Claims screen provides the following search criteria:

Field	Description
Loan Skey	Unique ID for each FHA Case.
FHA Case #	The HECM Case number.
Case Status	Selection from dropdown values.
Batch Status	Selection from dropdown values.
Claim Status	Selection from dropdown values.
Trans Date	The transaction created date (from and to dates)
Servicer Name	Name of the servicer on the loan
Lender Name	Name of the lender on the loan
Investor Name	Name of the investor on the loan

Table 5-20: Claims Search Criteria

To cancel a claim payment:

Step 1. Enter the search criteria and click Search on the Claims screen to display the claims transactions. Claims that need cancellation can also be searched by selecting the Batch status of Pending and Claim Status of Approved for Payment.

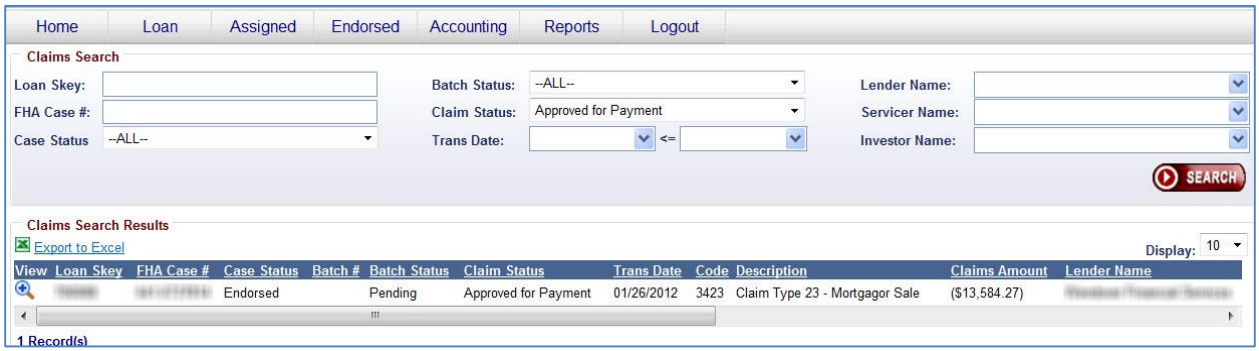


Figure 5-85: Accounting – Claims Screen

Step 2. The search results matching the search criteria are displayed in the **Search Results** section.

Step 3. Select the record displayed in the search results. The **Edit Claim** window is displayed.

Step 4. On the **Edit Claim** window, select Cancelled from the **Claim Status** dropdown.

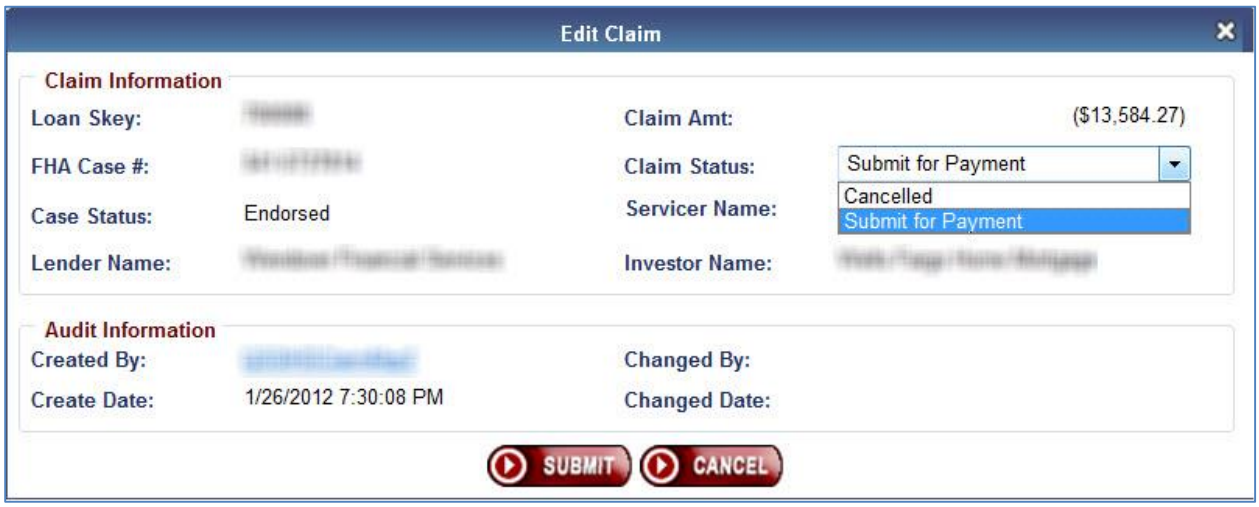


Figure 5-86: Edit Claim Window

Step 5. Click **Submit** to save the changes. A certify window is displayed requesting the user to confirm action. Enter password and click **Yes.**

Figure 5-87: Certify Window

Step 6. The Claim Status is updated to Cancelled. To exit the window without saving the changes, click **Cancel**.

Step 7. Select the **magnifying glass icon** beside the claim record to view the HUD Claim Form- 27011 for the claim transaction.

5.19 Batch

The Batch tab available on the top menu allows authorized users (example: lenders/servicers) to perform an action on multiple loans at the same time. The Batch tab has the following sub-menu options:

- Initial Transfer
- Servicer Transfer List
- Servicer Transactions
- Servicer File Upload

5.19.1 Initial Transfer

The Initial Transfer screen is displayed when an authorized user selects Initial Transfer under the Batch tab displayed in the top menu. The Initial Transfer page allows lenders to assign a servicer for multiple FHA cases (10 cases at a time) in Suspense status. The lender must select the servicer from a subset of servicers linked to the current lender; otherwise the system will not allow the initial transfer process and a validation error message will be displayed.

The Initial Transfer displays the following fields:

Field	Description
Transfer Date	The date the loan is transferred to a servicer.
FHA Case#	The 10-digit FHA case number.
To Servicer	The servicer's name to whom the loan is transferred.
Validation	The validation message for the initial transfer process, this is populated automatically by the system when the transfer request is submitted.

Table 5-21: Initial Transfer Fields

To perform an initial transfer:

Step 1. On the **Initial Transfer** screen, enter the FHA case# of the case for transfer to a servicer. The case status must be Suspense.

Step 2. Enter the name/mortgagee# of the new Servicer to transfer the case.

Step 3. Click **OK** to submit the transfer request. The status of **Initial Transfer is Pending** is displayed if no validation errors occur. The Validation column will display **Pending**. If there is a validation error, the system displays the validation message in the **Validation** column of the screen.

Step 4. Click **Submit** if the status of Initial Transfer is pending and no validation messages are displayed.

Step 5. A message box displays, **Initial Transfer Successful**. Click **OK**. The new servicer name can be viewed in the Loan Search page.

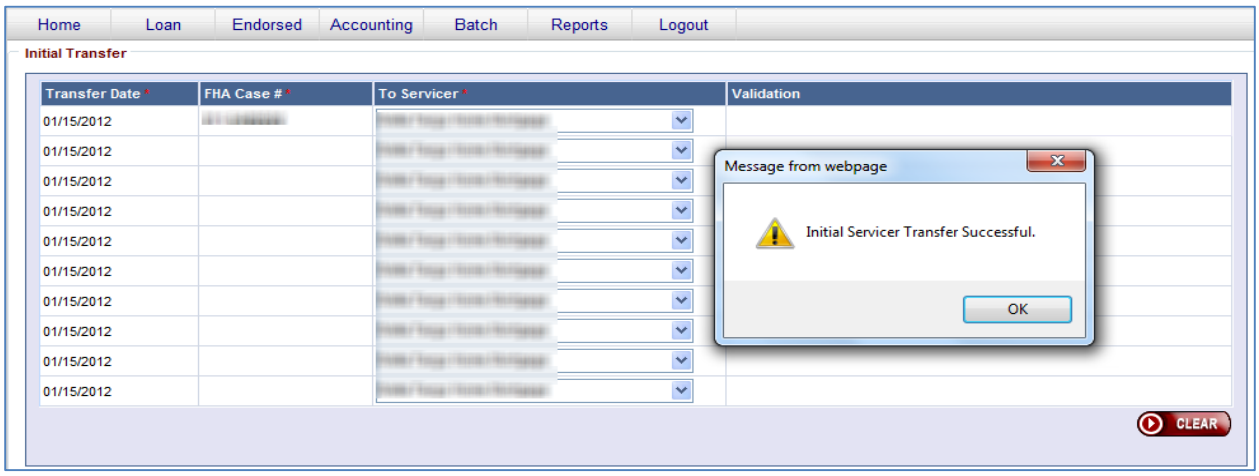


Figure 5-88: Initial Transfer Screen

5.19.2 Servicer Transfer List

The Servicer Transfer List screen is displayed when an authorized user selects Servicer Transfer List under the Batch tab displayed in the top menu. The Servicer Transfer List screen allows lenders to view the pending transfers of loans from one lender/servicer to other lender/servicer. The screen also allows the user to cancel the pending transfers.

The Servicer Transfer List provides the following search criteria:

Field	Description
Transfer Date	The date the FHA case transfers from current Servicer to another Servicer or Current Investor to another Investor.
Current Servicer	The name of the current Servicer.
To Servicer	The name of the Servicer to which the FHA case was transferred.
Current Investor	The name of the current Investor.
To Investor	The name of the current Investor to which the FHA case was transferred.

Table 5-22: Servicer Transfer Search Screen

To view the servicer transfer case details:

Step 1. Enter the search criteria and click **Search** on the **Servicer Transfer Search** section to display the transfers.

Step 2. The search results matching the search criteria are displayed in the **Search Results** section.

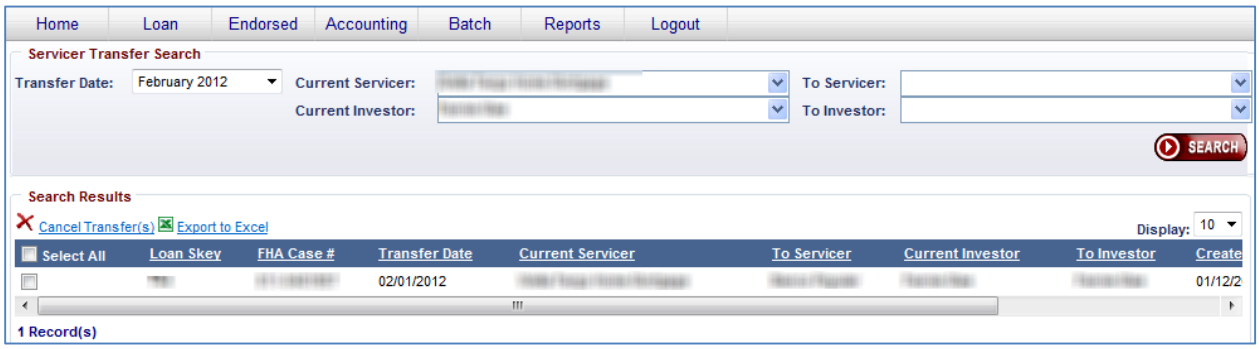


Figure 5-89: Servicer Transfer Search Results

To cancel a pending transfer:

Step 1. Enter the search criteria and click **Search** on the **Servicer Transfer Search** section to display the transfers.

Step 2. The search results matching the search criteria are displayed in the **Search Results** section.

Step 3. Enter the checkbox of the transfers that must be cancelled. Click **Cancel Transfer** link in the **Search Results** section.

Step 4. A pop-up message window is displayed to confirm the action. Click **OK** to cancel the transfer.

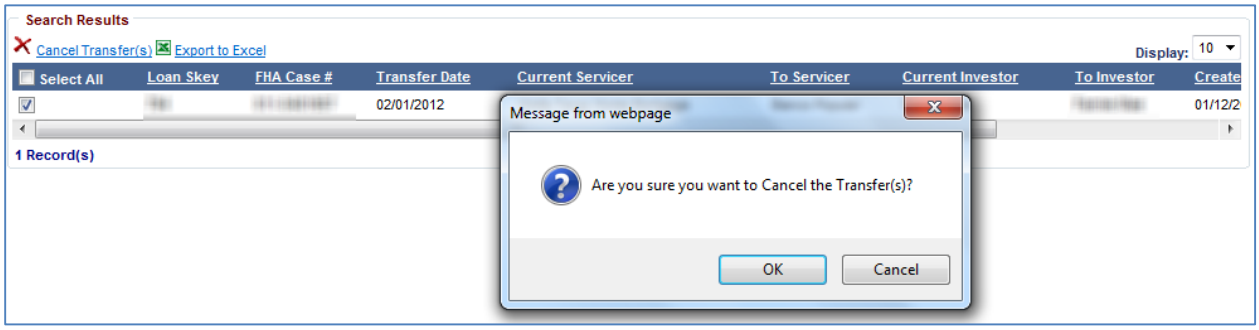


Figure 5-90: Cancel Pending Transfer

5.19.3 Servicer Transactions

The Servicer Transactions screen is displayed when an authorized user selects Servicer Transactions under the Batch tab displayed in the top menu. The Servicer Transactions screen allows the authorized user (example: lenders/servicers) to add multiple transactions on a single or multiple loans (maximum of 10 transactions at a time).

To enter transactions on the Servicer Transactions page:

Step 1. Enter the required fields to add a transaction and click **Validate.** The Incurred Date field is required only for Corp Advance transaction categories.

Step 2. If any validations failed, the **Validation** column of this will display the error/warning messages.

Step 3. If no validations fail, the Validation column will display **Pending**.

Step 4. Click **Submit** to add the transactions on the loan.

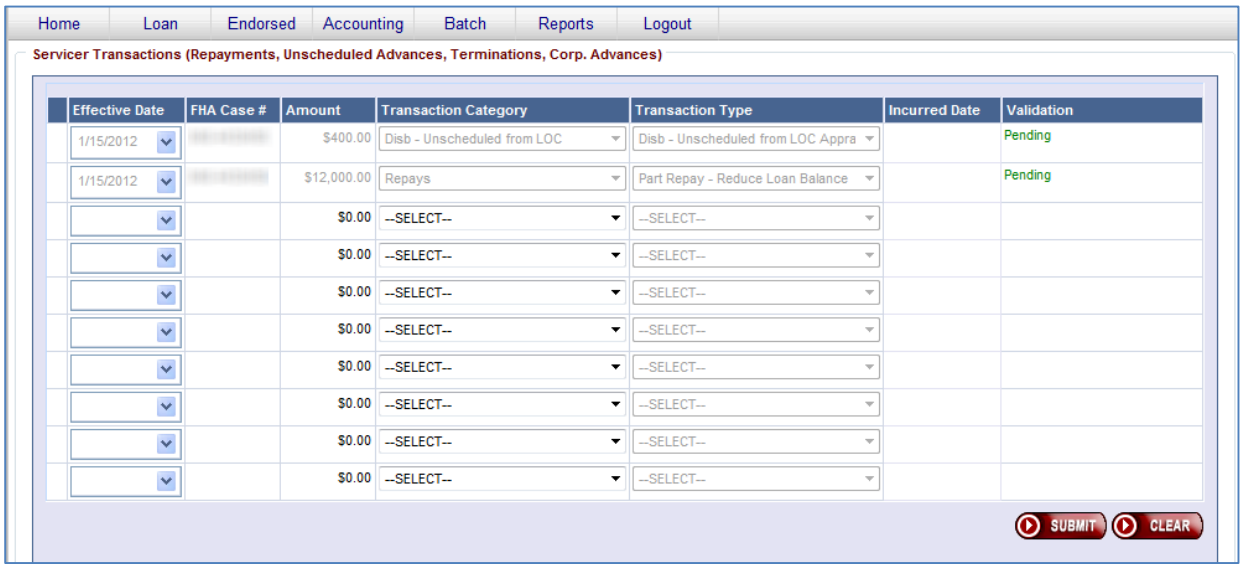


Figure 5-91: Batch Servicer Transactions

5.19.4 Servicer File Upload

The Servicer File Upload screen is displayed when an authorized user selects Servicer File Upload under the Batch tab displayed in the top menu. The Servicer File Upload screen allows the authorized user (example: lenders/servicers) to upload B2G files.

Field	Description
Loan Setup Import	Enables lenders/servicers to setup one or multiple loans in the Servicing Module.
Servicer Transfer Import	Enables lenders/servicers to record the transfer of servicers on HECM Cases in the Servicing Module.
Transactions Import	Enables lenders/servicers to record loan transactions in the Servicing Module.
OPL/CPL	Enables lenders/servicers to update Original Principal Limit/Current principal Limit fields in the Servicing Module.

Table 5-23: B2G File Descriptions

5.19.4.1Preparing Servicer Transfer Import File

To prepare Servicer Transfer Import file:

Step 1. From the Batch tab, select Servicer File Upload.

Step 2. Select **Servicer Transfer**.

Step 3. On the **File Download** screen, click **Open;** this action opens an Excel template.

Step 4. Enter valid values for each column. For each of the field a comment is displayed when user points on the column name. The comment provides the user with the following information:

- whether the field is required, optional or conditionally required
- format/valid values for each field

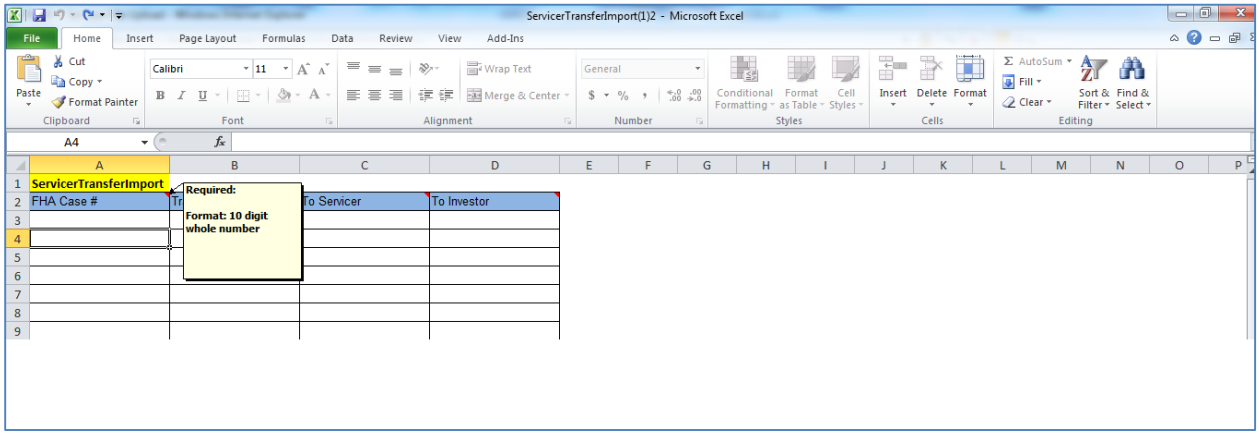


Figure 5-92: Sample Excel Template for B2G Servicer Transfer Import

5.19.4.2 Saving Servicer Transfer Import File

To save the Servicer Transfer Import file:

Step 1. Once all required fields are entered in the B2G servicer transfer import file and the file ready for upload, the file should be saved in a text (tab-delimited) file format.

Step 2. Click **File > Save** in the Servicer Transfer Import file.

Step 3. Select the folder in which to save the Excel file.

Step 4. Rename the file if desired.

Step 5. Click **File > Save As** and save the file as text (tab-delimited).

Step 6. Click **Save.**

5.19.4.3 Uploading Servicer Transfer Import File

To upload the Servicer Transfer Import file:

Step 1. Click **Browse** on the **Servicer File Upload** screen to attach the previously saved servicer transfer import file.

Step 2. Click **Upload.** The **Import Results** section displays the details of the upload results.

Step 3. The system will process the file and validate the records within the Servicer Transfer import file:
- If all the critical validations pass for the record, the record is uploaded
- If any of the critical validations fail, the record is not uploaded in the Servicing Module

Step 4. Upon completion of the file processing, the system displays the processing status of each record within the file.

5.19.4.4 Viewing Status of Servicer Transfer Import File

The Import Results section displays the details of the processed B2G Servicer Transfer Import file. It allows user to view:

- **Error Records:** count of records within the file that failed critical validations
- **Warning/Success Records:** count of records that generated a warning but were successfully uploaded in the Servicing Module
- **Success Records:** count of records that were successfully uploaded without generating a warning or error
- **Filters:** This section allows the user to filter the import results by status and error message
- **Export to Excel:** This link allows the user to export the file upload results to an Excel file

The processing status of each record within the file is displayed:

- **Rec#:** The record number of the case within the file
- **FHA Case#:** The case number associated with the record
- **Status:** The status of the uploaded record (Success, error or warning)
- **Errors:** Description of the errors associated with the record. For example: FHA Case# is invalid
- **Warnings:** Description of the warnings associated with the record

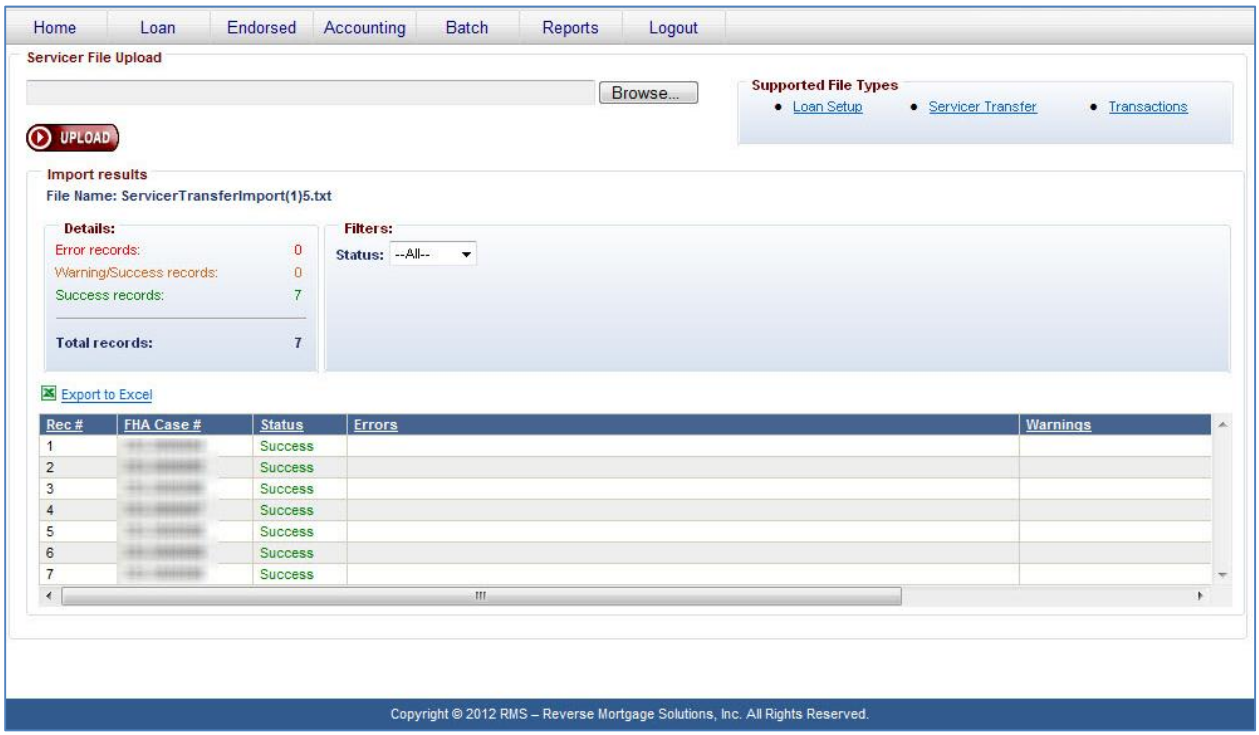


Figure 5-93: Servicer Transfer Import Results

5.19.4.5 Preparing Transactions Import File

To prepare Transactions Import file:

Step 1. From the Batch tab, select Servicer File Upload.

Step 2. Select **Transactions**.

Step 3. On the **File Download** screen, click **Open;** this action opens an Excel template.

Step 4. Enter valid values for each column. For each of the field a comment is displayed when user points on the column name. The comment provides the user with the following information:

- whether the field is required, optional or conditionally required
- format/valid values for each field

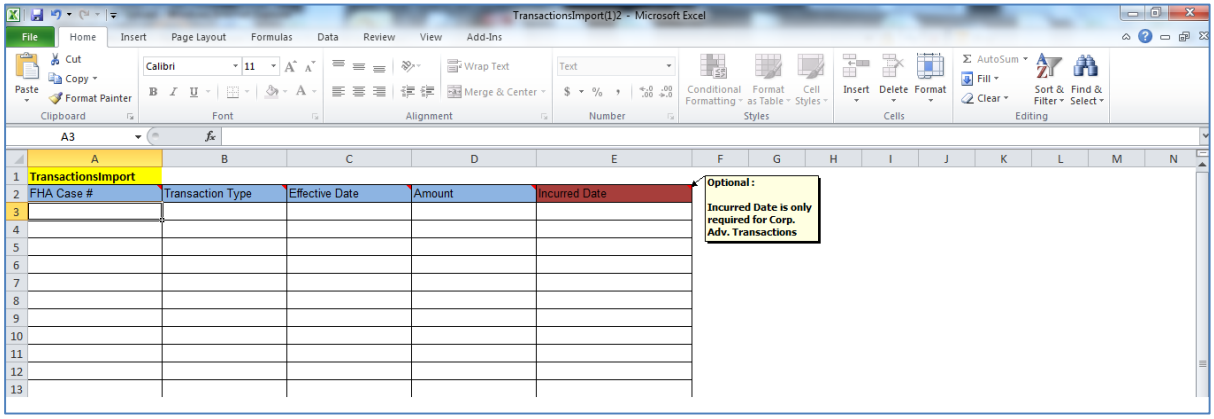


Figure 5-94: Sample Excel Template for B2G Transactions Import

5.19.4.6 Saving Transactions Import File

To save Transactions Import file:

Step 1. Once all required fields are entered in the B2G transactions import file and the file ready for upload, the file should be saved in a text (tab-delimited) file format.

Step 2. Click **File > Save** in the Transactions Import file.

Step 3. Select the folder in which to save the Excel file.

Step 4. Rename the file if desired.

Step 5. Click **File > Save As** and save the file as text (tab-delimited).

Step 6. Click **Save.**

5.19.4.7 Uploading Transactions Import File

To upload Transactions Import file:

Step 1. Click **Browse** on the **Servicer File Upload** screen to attach the previously saved transactions import file.

Step 2. Click **Upload.** The Import Results section displays the details of the upload results.

Step 3. The system will process the file and validate the records within the transactions import file:
- If all the critical validations pass for the record, the record is uploaded
- If any of the critical validations fail, the record is not uploaded in the Servicing Module

Step 4. Upon completion of the file processing, the system displays the processing status of each record within the file.

5.19.4.8 Viewing Status of Transactions Import File

The Import Results section displays the details of the processed B2G Transactions Import file. It allows user to view:

- **Error Records:** Count of records within the file that failed critical validations
- **Warning/Success Records:** Count of records that generated a warning but were successfully uploaded in the Servicing Module

- **Success Records:** Count of records that were successfully uploaded without generating a warning or error
- **Filters:** This section allows the user to filter the import results by status and error message
- **Export to Excel:** This link allows the user to export the file upload results to an Excel file

The processing status of each record within the file is displayed:

- **Rec#:** The record number of the case within the file
- **FHA Case#:** The case number associated with the record
- **Status:** The status of the uploaded record (Success, error or warning)
- **Errors:** Description of the errors associated with the record (for example: FHA Case# is invalid)
- **Warnings:** Description of the warnings associated with the record

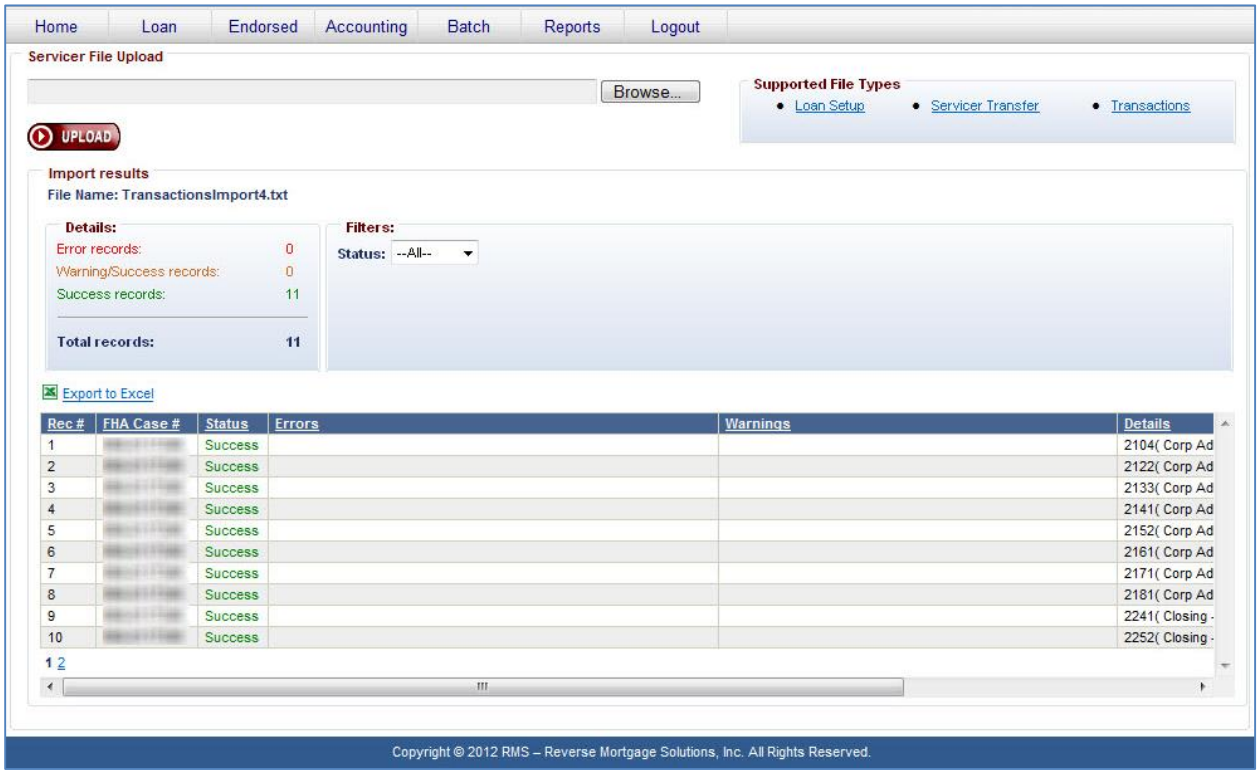


Figure 5-95: Transactions Import Results

5.19.4.9 Preparing OPL/CPL File

To prepare OPL/CPL Import file:

Step 1. From the Batch tab, select Servicer File Upload.

Step 2. Select **OPL/CPL**.

Step 3. On the **File Download** screen, click **Open;** this action opens an Excel template.

Step 4. Enter valid values for each column. For each of the field a comment is displayed when user points on the column name. The comment provides the user with the following information:

- whether the field is required, optional or conditionally required

- format/valid values for each field

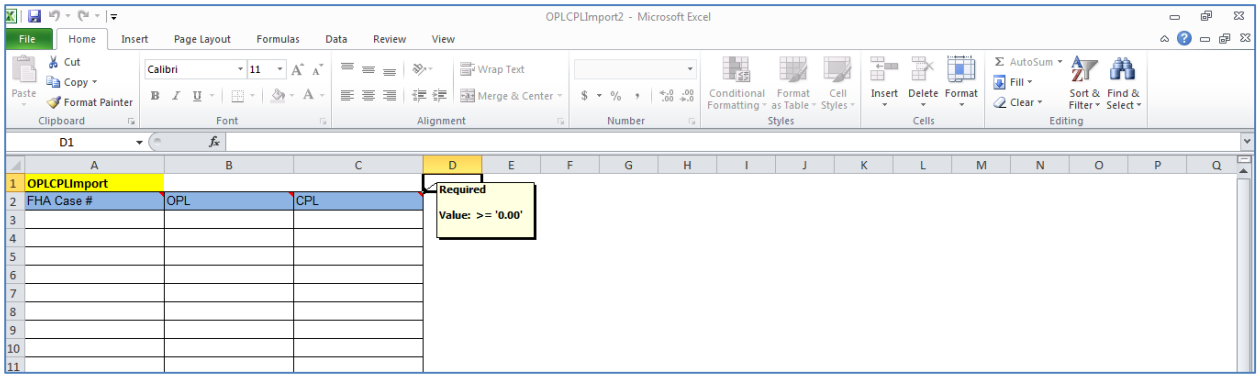


Figure 5-96: Sample Excel Template for B2G OPL/CPL Import

5.19.4.10 Saving OPL/CPL File

To save the OPL/CPL Import file:

Step 1. Once all required fields are entered in the B2G OPL/CPL and the file is ready for upload, the file should be saved in a text (tab-delimited) file format.

Step 2. Click **File > Save** in the OPL/CPL file.

Step 3. Select the folder in which to save the Excel file.

Step 4. Rename the file if desired.

Step 5. Click **File > Save As** and save the file as text (tab-delimited).

Step 6. Click **Save.**

5.19.4.11 Uploading OPL/CPL Import File

To upload the OPL/CPL Import file:

Step 1. Click **Browse** on the **Servicer File Upload** screen to attach the previously saved OPL/CPL import file.

Step 2. Click **Upload.** The **Import Results** section displays the details of the upload results.

Step 3. The system will process the file and validate the records within OPL/CPL import file:
- If all the critical validations pass for the record, the record is uploaded
- If any of the critical validations fail, the record is not uploaded in the Servicing Module

Step 4. Upon completion of the file processing, the system displays the processing status of each record within the file.

Note: Update to OPL/CPL values take place ONLY after the scheduled nightly job runs in Servicing Module.

5.19.4.12 Viewing Status of OPL/CPL Import File

The Import Results section displays the details of the processed B2G OPL/CPL file. It allows user to view:

- **Error Records:** count of records within the file that failed critical validations

- **Warning/Success Records:** count of records that generated a warning but were successfully uploaded in the Servicing Module
- **Success Records:** count of records that were successfully uploaded without generating a warning or error
- **Filters:** This section allows the user to filter the import results by status and error message
- **Export to Excel:** This link allows the user to export the file upload results to an Excel file

The processing status of each record within the file is displayed:

- **Rec#:** The record number of the case within the file
- **FHA Case#:** The case number associated with the record
- **Status:** The status of the uploaded record (Success, error or warning)
- **Errors:** Description of the errors associated with the record. For example: FHA Case# is invalid
- **Warnings:** Description of the warnings associated with the record

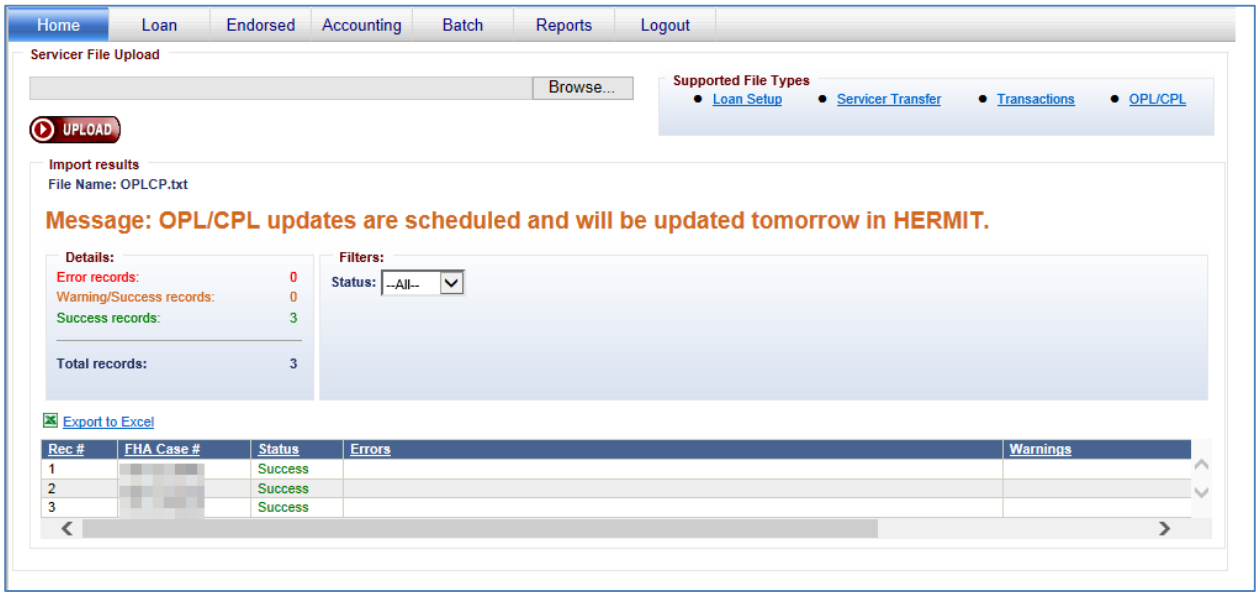


Figure 5-97: OPL/CPL Import Results

5.20 Repayment Plan

The Repayment Plan screen is displayed when a user selects the Repayment Plan tab from the menu on the left side of the screen. The Repayment Plan screen shows the current repayment plan and any prior repayment plans associated with the loan. Only authorized user roles can create and edit a repayment plan.

The following conditions must be satisfied to initiate a repayment plan:

- Authorized users can create and edit Repayment Plan.
- The loan must have a case status of Pending IMIP, Pending Endorsement, Endorsed, and Assigned.
- The Repayment Plan Start Date must be less than the Repayment Plan End Date.
- The Next Monthly Payment Due Date is greater than the Repayment Plan Start Date.

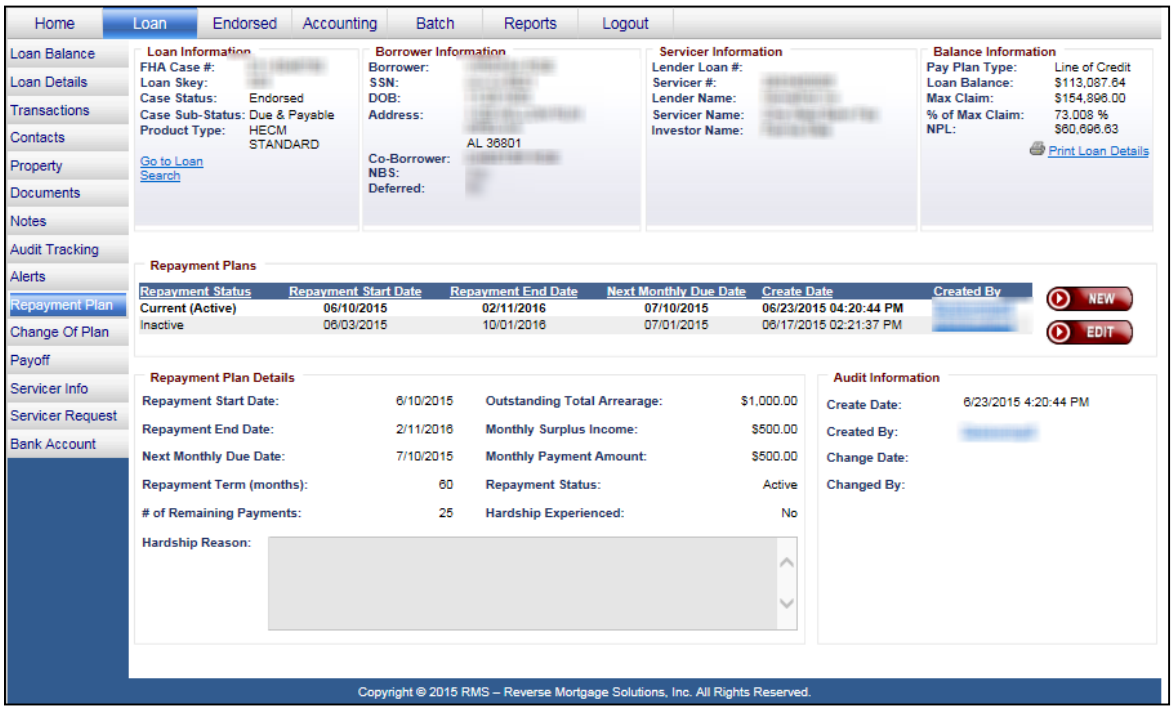


Figure 5-98: Repayment Plan Screen

5.20.1 Viewing a Repayment Plan

To view a repayment plan:

Step 1. Select the record to display the **Repayment Plan Details** section and **Audit Information** sections. The Repayment Plan Details section displays the following details of the payment plan selected in Pay Plans section:

- **Repayment Start Date:** The date, repayment plan was initiated.
- **Repayment End Date:** The date, repayment plan ended.
- **Next Monthly Due Date:** The date next monthly payement is due.
- **Repayment Term (months):** Total number of payments to be paid by the Servicer. The repayment term cannot exceed 60 months.
- **# of Remaining Payments:** The number of payments remaining to be paid by the servicer. The number of payments cannot exceed 60 months.
- **Outstanding Total Arrearage:** Is determined by adding the outstanding corporate advances made for the account to any property charges, less any for HOA fees, due for the next 90 days.
- **Monthly Surplus Income:** Is determined by subtracting the mortgagor's necessary living expenses – including healthcare, revolving and installment debt, any payment obligations, utility bills, and other household-related expenses - and a monthly amount needed for property charges due over the next twelve months from available sources of income as stated by the mortgagor.
- **Monthly Payment Amount:** Is the amount determined by the servicer to be paid towards the repayment plan each month.
- **Repayment Status:** Repayment Status can be Active, Inactive or Completed.
- **Hardship Experienced:** Is determined if the mortgagor experiences a decrease in their available amount of surplus income due to a verified hardship (e.g., illness, death of a household member who was identified as a contributor of income in a previous

Repayment Plan calculation, emergency home repair, loss of employment income, etc.) and seeks to have a Repayment Plan adjustment, mortgagees must solicit new financial information from the mortgagor to conduct a new Repayment Plan assessment.

- **Hardship Experienced:** The field Hardship Reason is mandatory if the user selects the Hardship Experienced.

Note: All of the fields mentioned above needs to be entered manually by the authorized users in HERMIT. HERMIT does not capture any fields for the Repayment Plan.

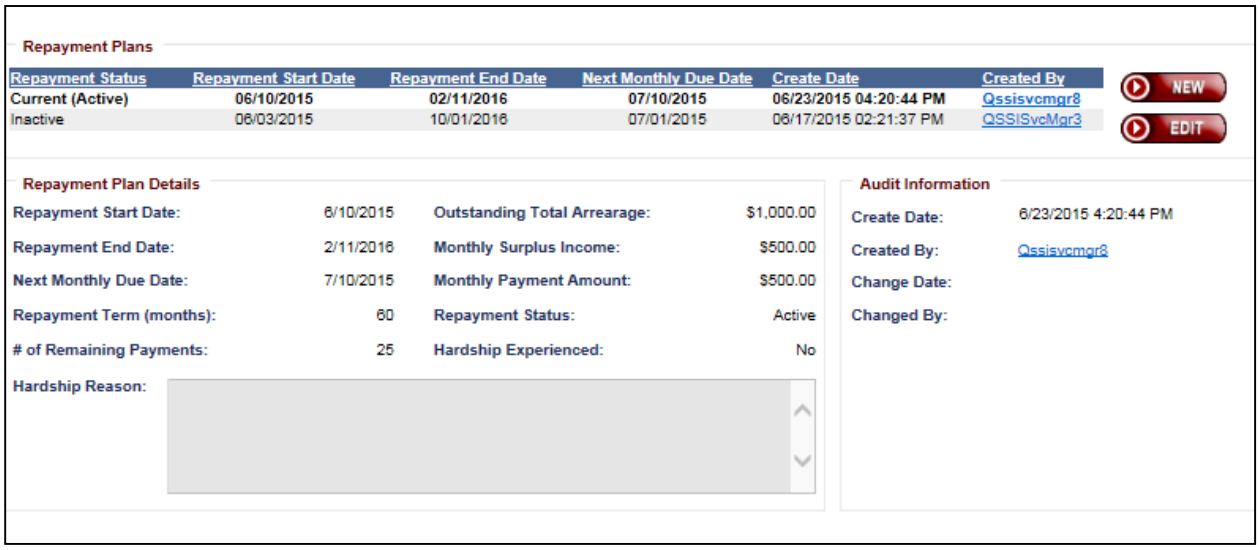


Figure 5-99: View Repayment Plan Screen

5.20.2 Creating a New Repayment Plan

To create a new repayment plan:

Step 1. Click **New** in the **Repayment Plan** section.

Step 2. On the **Repayment Plan** window, enter all the mandatory fields.

Step 3. Click **OK**

Note: After a new Repayment Plan is created the previous repayment plan will be automatically inactivated.

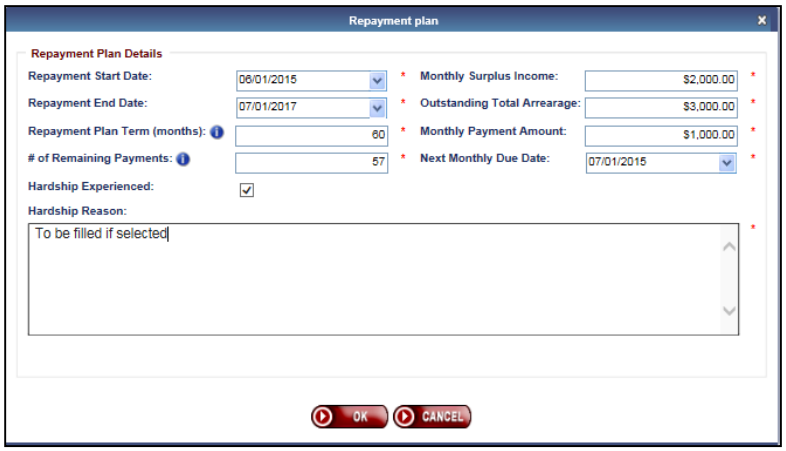


Figure 5-100: New Repayment Plan Window

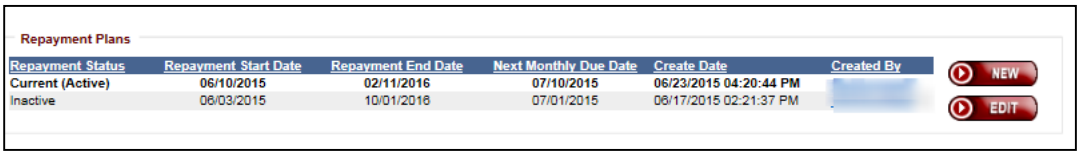


Figure 5-101: New Repayment Plan Displayed on Repayment Plans Section

5.20.3 Editing a Repayment Plan

To edit a repayment plan:

Step 1. Click **EDIT** in the **Repayment Plan** section.

Step 2. On the **Repayment Plan** window, edit the fields as needed.

Step 3. Click **OK.** The changes will be displayed on the Repayment Plan Detail section screen.

Note: The # of remaining payments has to be zero, if the Repayment Status has to be changed to **Completed**.

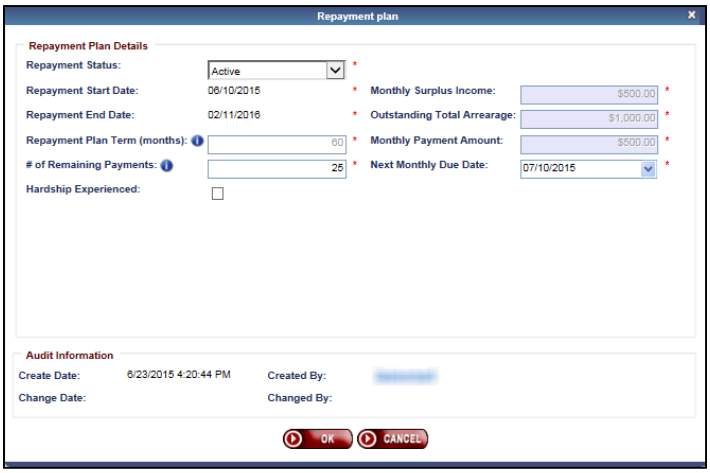


Figure 5-102: Edit Repayment Plan Window

CHAPTER 6: GENERAL SERVICING (ASSIGNED)

6. GENERAL SERVICING (ASSIGNED)

This chapter discusses general servicing for loans that are in **Assigned** case status:

- **Assigned Servicing Overview**
- **Loan Search**
- **Loan Balance**
- **Loan Details**
- **Transactions**
- **Contacts**
- **Property**
- **Documents**
- **Notes**
- **Audit Tracking**
- **Alerts**
- **Change of Plan**
- **Payoff**
- **Statement**
- **Disbursement**
- **Servicer Info**
- **Servicer Request**
- **Bank Account**
- **Accounting**
- **Batch**

6.1 Assigned Servicing Overview

When the loan balance on a HECM loan reaches the threshold percentage (as established by HUD) of the maximum claim amount, a servicing lender can request assignment to HUD. A Claim Type 22 timeline must be initiated and steps within the timeline completed (step - Assignment to HUD sent for recording/Servicer Files Claim Type 22 – Form 27011) to transfer the servicing of the loan to HUD. This also updates the Lender and Investor fields on the Loan to HUD.

Upon completion of the step HUD Issued Final Title Approval on the Claim Type 22 timeline, the case status is updated to Assigned.

HUD assumes all the general servicing loan functions that the previous servicing lender performed. This chapter explains in detail all the functions available for assigned loans and discusses in detail how to perform these functions.

6.2 Loan Search

In the Servicing Module, the Loan Search screen enables users to search loans and review and edit the loan information.

6.2.1 Search Criteria

Loan records can be retrieved using various combinations of search criteria. In general,

- Enter more search criteria to retrieve more specific search results, but fewer loan records
- Enter fewer search criteria to retrieve a larger number and broader range of loan records
- Basic search criteria include FHA case # and case status

6.2.2 Searching for a Loan

To search for a loan, please refer to **Chapter 2.**

6.2.3 Loan Search Results

To view and navigate the loan search results, please refer to **Chapter 2.**

For the loans where servicing has been transferred to HUD NSC Contractor, the Loan Search screen allows the authorized user to bulk print welcome letter and advance request forms.

6.2.3.1 Bulk Print Welcome Letters

To print the welcome letters:

Step 1. Enter the search criteria and click **Search** on the **Loan Search** screen to display the search results matching the search criteria in the **Loan Search Results** section.

Step 2. Enter the checkbox beside the loan record in the search results.

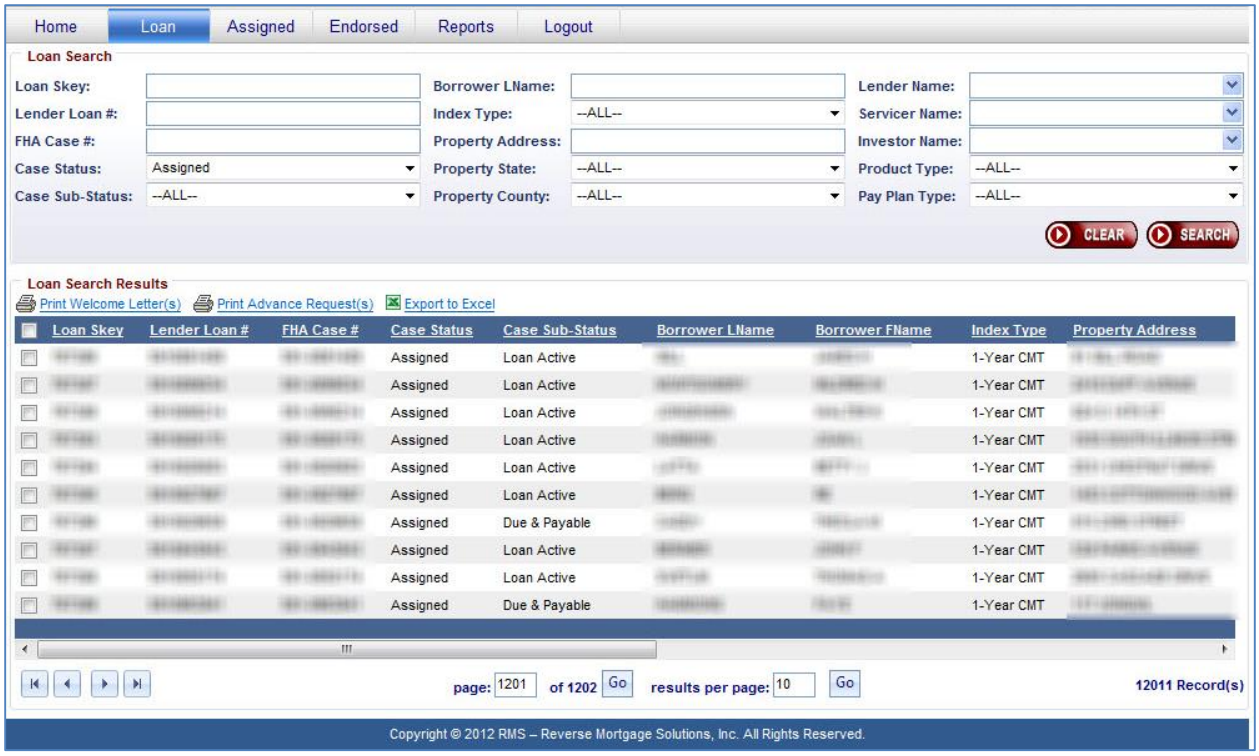


Figure 6-1: Loan Search Screen – Print Welcome Letters

Step 3. Click the **Print Welcome Letter(s)** link in the **Loan Search Results** section.

Step 4. Edit the Subject and Salutation on the **Print Welcome Letter** window, click **OK.** This window is displayed only if single loan is selected. For multiples loans, system will select the default settings for the Subject and Salutation fields. To exit without printing the letter click **Cancel**.

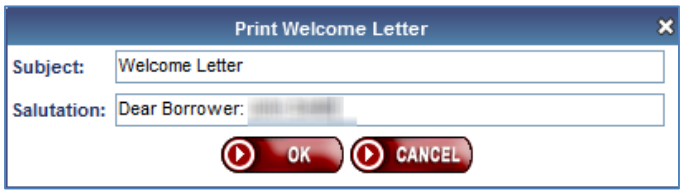


Figure 6-2: Print Welcome Letter Window

Step 5. This action will auto-save the welcome letter on the **Documents** tab of the selected loan and display a PDF document with the welcome letter for each of the selected loans.

6.2.3.2 Bulk Print Advance Request Forms

To print the advance request forms:

Step 1. Enter the search criteria and click **Search** on the **Loan Search** screen to display the search results matching the search criteria in the **Loan Search Results** section. This form is available only for loans with Pay Plan types of: Modified Tenure, Modified Term and Line of Credit.

Step 2. Enter the checkbox beside the loan record in the search results.

Step 3. Click the **Print Advance Request(s)** link in the **Loan Search Results** section.

Step 4. Enter the number of copies needed for each loan on the **Print Unscheduled Advance Request Form** window, click **OK**. To exit without printing the letter click Cancel.

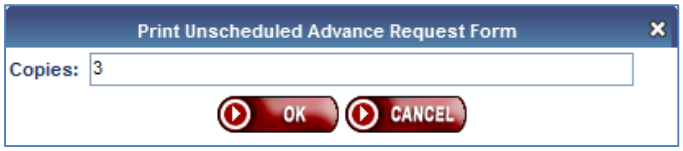


Figure 6-3: Print Unscheduled Advance Request Form Window

Step 5. A PDF document is displayed with the selected number of unscheduled advance request copies for each of the selected loans. For example: If three copies are selected for two loans, six copies are displayed.

6.3 Loan Balance

When the user selects a loan from the Loan Search Results section, the Loan Balance screen is displayed. This screen allows the user to view the loan balance information. The information displayed on this screen is received from CHUMS or recorded /derived during the loan setup process. This screen also allows the authorized user to update the payment status on the loan based on the roles and permissions enabled for the users.

If a critical alert exits on the loan, then Critical Alerts window is displayed on the Loan Balance screen warning the user with the critical alert information. Click OK to view the Loan Balance screen.

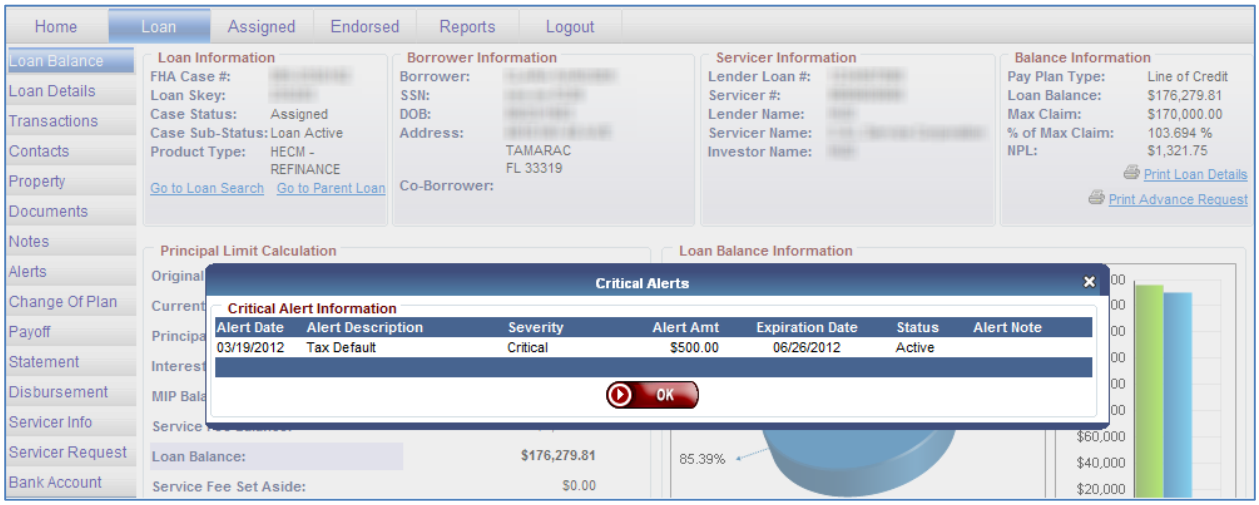


Figure 6-4: Critical Alerts Window

The Loan Balance screen displays the following data sections:

- Header section - Loan/Borrower/Servicer/Balance Information
- Principal Limit Calculation
- Loan Balance Information (represented as pie chart and bar graph)
- Other Balances
- Payment Plan Information (Editable): The plan can be activated/suspended using this function

- Life Expectancy Set Aside LESA (Editable): The LESA Payment plan can be activated/suspended using this function
- Fees
- Credit Line Set Aside Information
- Audit Information

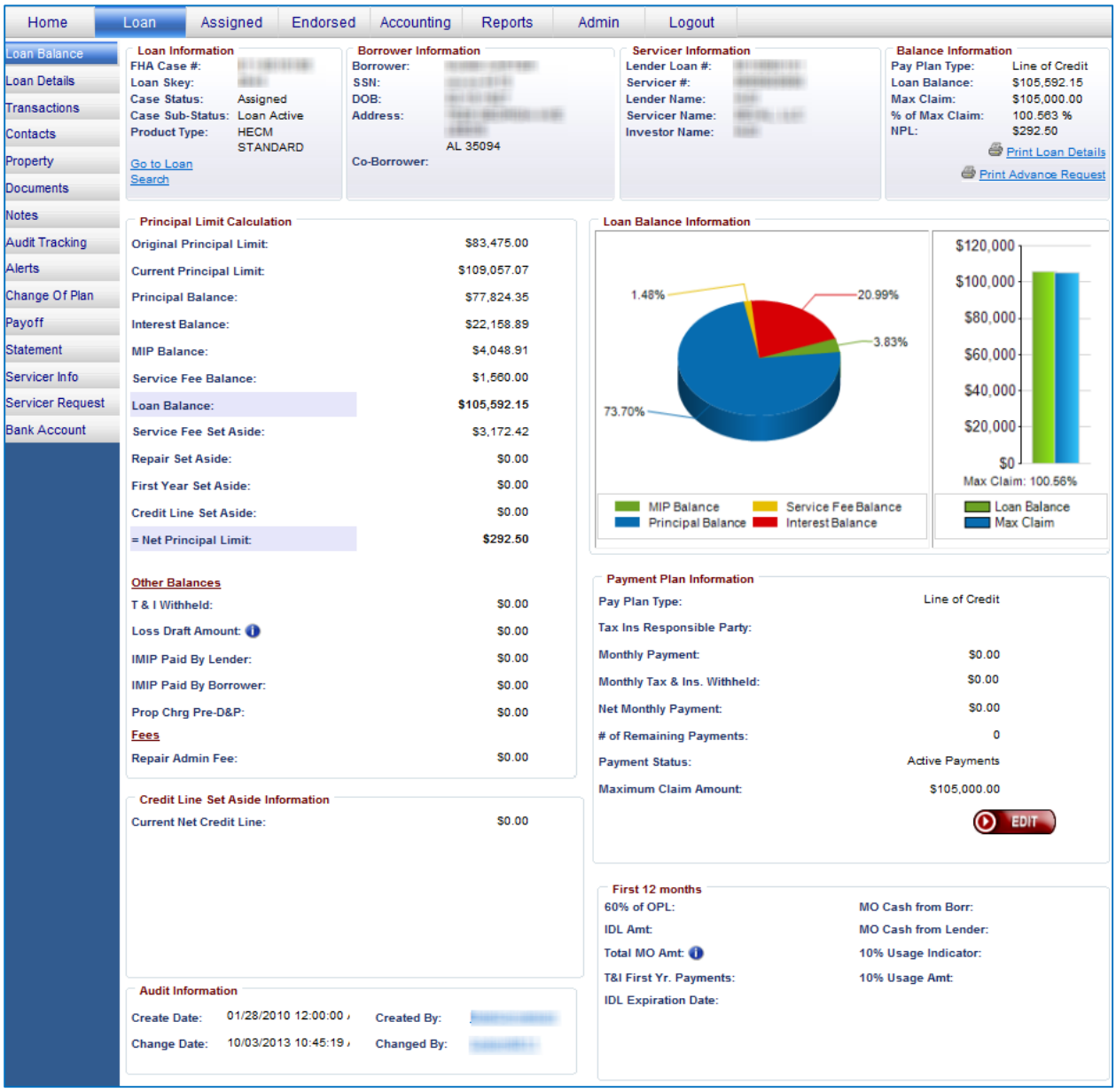


Figure 6-5: The Loan Balance Screen

The header screen displays the following links:

- **Go to Loan Search:** This link navigates the user back to the Loan Search screen. When navigated back to the Loan Search screen, the results from the previous search criteria are displayed.

- **Go to Parent Loan:** This link is displayed when the product type of the loan is HECM – Refinance or HECM Saver – Refinance. This link navigates the user to the Loan Balance screen of the parent loan.
- **Print Advance Requests:** This link is displayed when the Pay Plan type on the loan is: Modified Tenure, Modified Term and Line of Credit. To print the form, click the link and enter the copies needed on the Print Unscheduled Advance Reqest Form window. Click OK to generate the form in PDF.

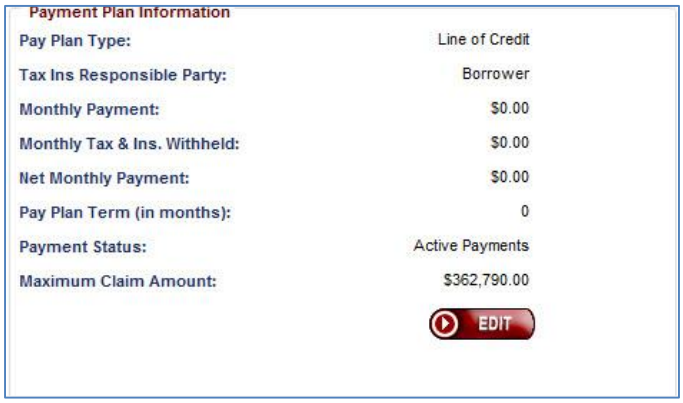
> The Unscheduled Advance Request form can also be generated from the Request for Unscheduled Advance timeline. Refer to **Section 7.4.1.5** for details.

- **Print Loan Details:** This link allows the user to generate Loan Summary in a PDF file that can be saved or printed. It contains the following data sections:
    - Loan Identifiers
    - Loan Dates
    - Borrower & Property Information
    - Loan Rates
    - Principal Limit Calculation
    - Payment plan Information
    - Credit Line Set Aside Information
    - Servicer Information

6.3.1 Activating or Suspending Payments

To activate or suspend payments:

Step 1. Click **Edit** in the **Payment Plan Information** section on the **Loan Balance** screen.



Payment Plan Information

Pay Plan Type:	Line of Credit
Tax Ins Responsible Party:	Borrower
Monthly Payment:	$0.00
Monthly Tax & Ins. Withheld:	$0.00
Net Monthly Payment:	$0.00
Pay Plan Term (in months):	0
Payment Status:	Active Payments
Maximum Claim Amount:	$362,790.00

EDIT

Figure 6-6: Payment Plan Information Section

Step 2. On the **Edit Payment Plan** window, select Active Payments or Payment Suspended from the **Payment Status** dropdown.
- If the **Payment Suspended** option is selected - the case sub-status is updated to Payment Suspended and a critical alert is added on the loan.
- If **Active Payments** is selected then the case sub-status is updated accordingly. The Payment Suspended critical alert becomes inactive once the active payment option is selected.

Step 3. To change the responsible party for tax payments, select Borrower or Servicer from the **Tax Ins Responsible Party** dropdown.

Step 4. Click **Submit** to save the changes. The changes will be displayed on the **Loan Balance** screen. To exit the window without saving the changes select **Cancel.**

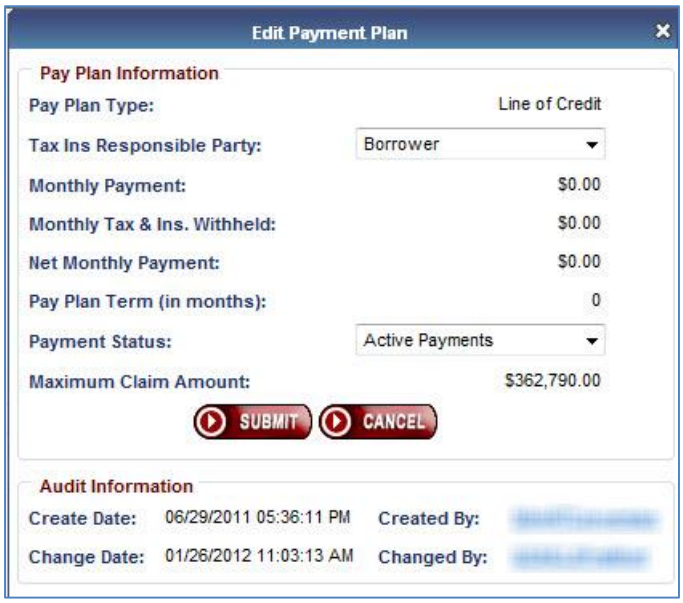


Figure 6-7: Edit Payment Plan Window

6.3.2 Viewing Audit Information

The Audit Information section is displayed in the lower left corner of the Loan Balance screen. This section displays the date and user that modified the fields within the Pay Plan Information section.

To view details of the user that updated the information:

Step 1. Click **Changed By** link under the **Audit Information** section.

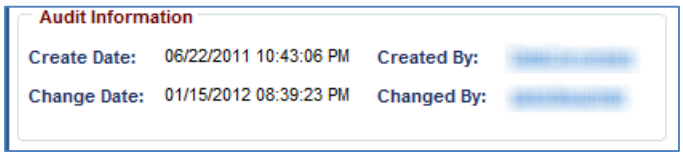


Figure 6-8: Audit Information Section on Loan Balance Screen

Step 2. The **User Information** window is displayed with the contact details of the user. Click **OK** to exit the window.

Figure 6-9: User Information Window

6.3.3 Activating or Suspending Life Expectancy Set Aside (LESA) Payments

To activate or suspend Life Expectancy Set Aside (LESA) payments:

Step 1. Click **Edit** in the **Payment Plan Information** section on the **Loan Balance** screen.

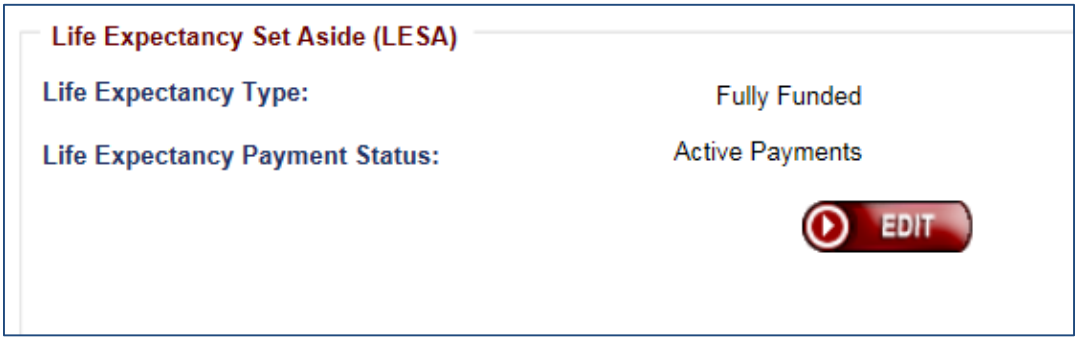


Figure 6-10: LESA Payment Plan Information Section

Step 2. On the **Edit Payment Plan** window, select **Active Payments** or **Payment Suspended** from the **Payment Status** dropdown.

- If the **Payment Suspended** option is selected - the case sub-status is updated to Payment Suspended and a critical alert is added on the loan.
- If **Active Payments** is selected then the case sub-status is updated accordingly. The Payment Suspended critical alert becomes inactive once the active payment option is selected.

Step 3. Click **Submit** to save the changes. The changes will be displayed on the **Loan Balance** screen. To exit the window without saving the changes select **Cancel.**

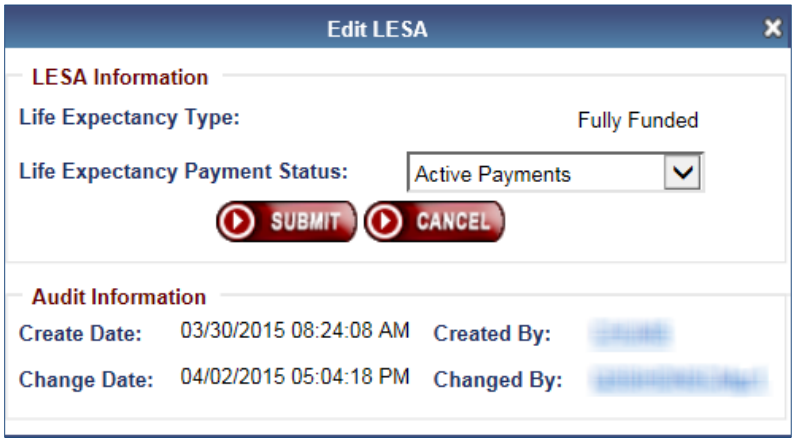


Figure 6-11: Edit LESA Payment Plan Window

6.4 Loan Details

The Loan Details screen is displayed when a user selects the Loan Details tab from the menu options on the left side of the screen. The information displayed on this screen is received from CHUMS or recorded during the loan setup process. This screen also allows authorized users (example: HUD NSC Contractor) to edit the data fields.

The Loan Details screen displays the following data sections:

- Header section - Loan/Borrower/Servicer/Balance Information
- Loan Rates
- Loan Dates
- Loan Identifiers
- 2nd Mortgage/DOT
- 1st Mortgage/DOT
- Audit Information

Home | Loan | Assigned | Endorsed | Reports | Logout

Loan Balance
Loan Details
Transactions
Contacts
Property
Documents
Notes
Alerts
Change Of Plan
Payoff
Statement
Disbursement
Servicer Info
Servicer Request
Bank Account

Loan Information
FHA Case #:
Loan Skey:
Case Status: Assigned
Case Sub-Status: Loan Active
Product Type: HECM - REFINANCE
Go to Loan Search Go to Parent Loan

Borrower Information
Borrower:
SSN:
DOB:
Address:
TAMARAC
FL 33319
Co-Borrower:

Servicer Information
Lender Loan #:
Servicer #:
Lender Name:
Servicer Name:
Investor Name:

Balance Information
Pay Plan Type: Line of Credit
Loan Balance: $176,279.81
Max Claim: $170,000.00
% of Max Claim: 103.694 %
NPL: $1,321.75
Print Loan Details

Loan Rates

Exp. Interest Rate:	5.660 %	Closing Date:	02/16/2007
MIP Rate:	0.500 %	Funded Date:	02/22/2007
Interest Rate At Closing:	6.070 %	FHA Case # Assigned Date:	
Rate Type:	Monthly	Application Date:	
Index Type:	1-Year CMT	Exp. Rate Index Date:	
Margin: (Range 0% - 5%)	1.000 %	Exp. Rate Locked:	No
Round to 1/8th:	☐	First Payment Date:	
Credit Type:		ARM First Change Date:	04/01/2007
Monthly Service Fee:	$30.00	Basis Points (BPS):	
Previous Idx Rate / Int Rate:	0.260 % / 1.260 %	Next Idx Rate / Int Rate:	0.170 % / 1.170 %
Current Idx Rate / Int Rate:	0.120 % / 1.120 %	Periodic Cap / Lifetime Cap:	/ 16.070 %

Loan Dates

Origination Date:	02/16/2007
MIC Date:	03/13/2007
Assignment Date:	03/19/2012
Endorsement Date:	05/28/2008
Firm Commitment Date:	
Terminated Date:	
ARM Next Change Date:	04/01/2012
Expiration Date:	
Custodial Care Request Date:	
Custodial Care Place Date:	
Vacancy Date:	

EDIT

Loan Identifiers

Loan To Value (LTV):	103.694 %	ADP SOA Code:	952/255
Mortgage Doc. Exists:	☐	Note Doc. Exists:	☐
Lender Loan #:	1234567890	Servicer Loan #:	
Investor Loan #:	6000279185	Ginnie Mae #:	
Print Statements:	☑	Label Printed:	☐
Barcode Printed:	☐	No Pay Order:	☐
Closed Box #:			

2nd Mortgage/DOT
Instrument #: Book #:
Page #: Recorded Date:
Trustee Orig:
Trustee Subs:

1st Mortgage/DOT
Instrument #: Book #:
Page #: Recorded Date:
Trustee Orig:
Trustee Subs:

EDIT

Audit Information
Create Date: 02/01/2012 02:40:35 PM Created By:
Change Date: 03/19/2012 04:00:09 PM Changed By:

Figure 6-12: Loan Details Screen

6.4.1 Editing Loan Dates

To edit fields in Loan Dates section:

Step 1. Click **Edit i**n the **Loan Dates** section on the **Loan Details** screen.

Step 2. On the **Edit Loan Dates** window, edit the fields as needed.

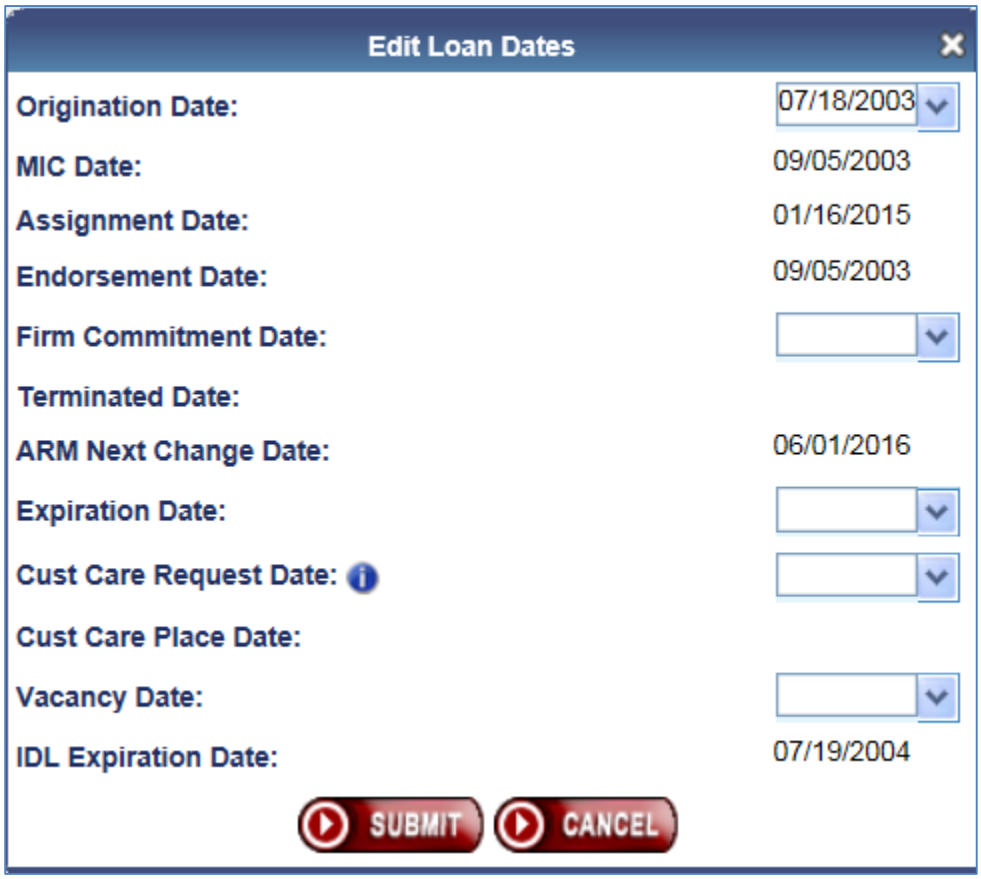


Figure 6-13: Edit Loan Dates Window

Step 3. Click **Submit** to save the changes. The changes will be displayed on the **Loan Details** screen. To exit the window without saving the changes select **Cancel.**

6.4.2 Editing Loan Identifiers

To edit fields in Loan Identifiers section:

Step 1. Click Edit in the Loan Identifiers section on the Loan Details screen.

Step 2. On the Edit Loan Identifiers window, edit the fields as needed.

Step 3. Click **Submit** to save the changes. The changes will be displayed on the Loan Details screen. To exit the window without saving the changes click **Cancel**.

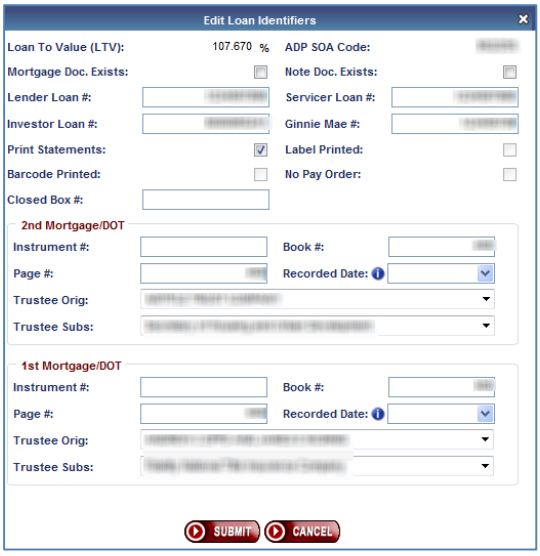


Figure 6-14: Edit Loan Identifiers Window

6.4.3 Viewing Audit Information

The Audit Information section is displayed in the lower right corner of the Loan Details screen. This section displays the date and user that modified the fields within any of the data sections.

To view details of the user that updated the information:

Step 1. Click **Changed By** link under the **Audit Information** section.

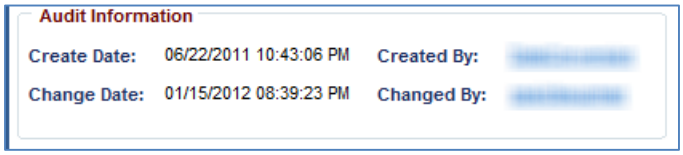


Figure 6-15: Audit Information Section on Loan Details Screen

Step 2. The **User Information** window is displayed with the contact details of the user. Click **OK** to exit the window.

Figure 6-16: User Information Window

6.5 Transactions

The Loan Transactions screen is displayed when a user selects the Transactions tab from the menu options on the left side of the screen. This screen allows authorized users (example: HUD NSC Contractor) to report transaction activities on a loan.

The transactions tab has four sub-menu options:

- Loan
- Growth
- Set Asides
- Claims

6.5.1 Transactions – Loan

This screen displays all the current and historical loan transactions (prior to Assigned status) associated with the loan. This screen allows the user to perform the following functions:

- **Loan Transaction Filter:** Allows the user to filter and view specific transactions within a transaction category.
- **New Transactions:** Allows the authorized user to add transactions on the loan
- **Balance Adjustment:** Allows the authorized user to adjust the loan balance
- **Write-off:** Allows the authorized user to perform partial write-off on the loan balance
- **Export Transactions:** Allows the authorized user to export transactions generated in the Servicing Module
- **Print Transactions:** Allows the authorized user to print the transactions (file generated in PDF) generated in the Servicing Module
- **Export Historical Transactions:** Allows the authorized user to export transactions generated in the Insurance Accounting Collection System (IACS) system prior to data conversion in the Servicing Module
- **Print Historical Transactions:** Allows the authorized user to print the transactions (file generated in PDF) for the transactions generated in the Insurance Accounting Collection System (IACS) system prior to data conversion in the Servicing Module

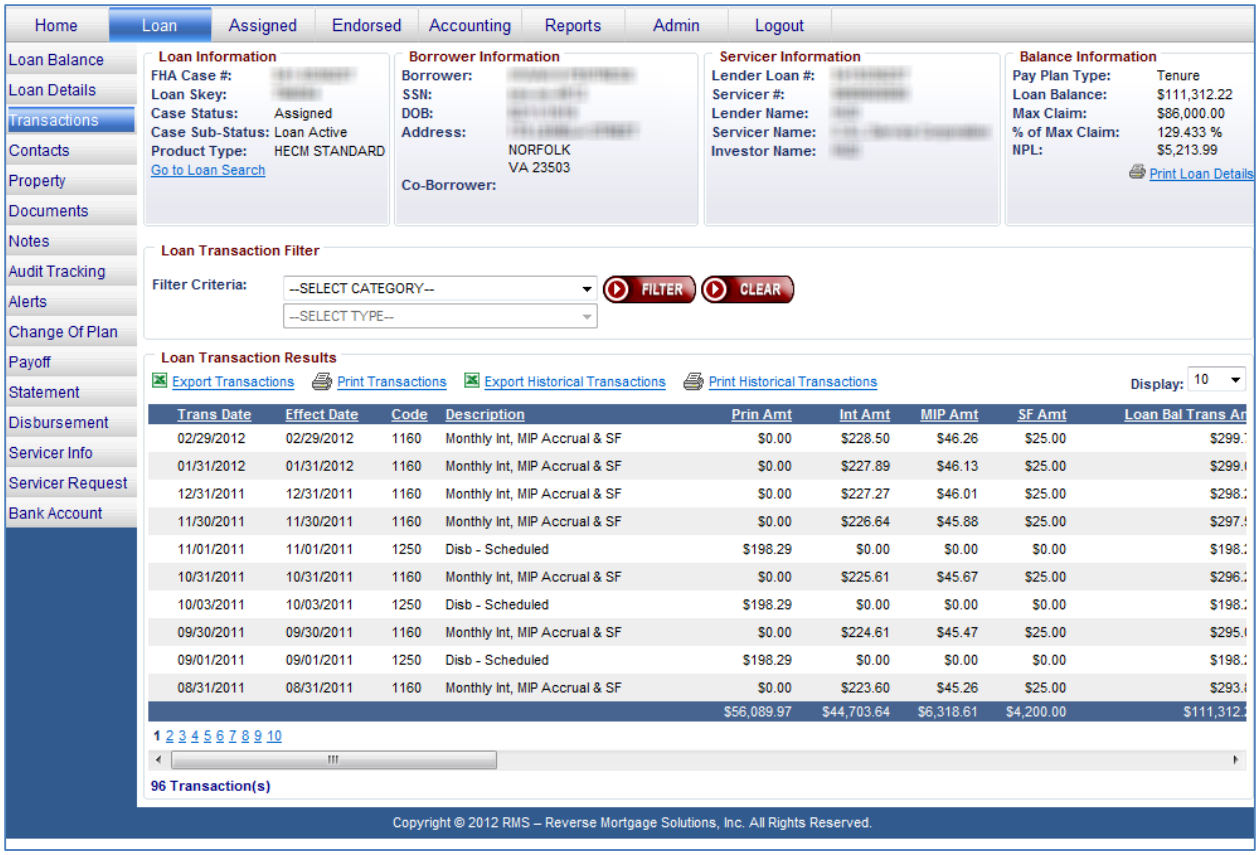


Figure 6-17: Transactions – Loan Screen

6.5.1.1 Transactions - Loan Filter Categories

The Loan Transaction Filter section of the Transactions - Loan screen allows authorized users to apply filters and view selected transactions within the selected transaction category. The transactions can be filtered by the following categories:

- Corporate Advances
- Disbursements
- Fees
- Closing costs
- Loan setup – Loan Balance
- Monthly Accruals
- Refunds
- Repayments
- Terminations
- Perform Adjustment of Initial MIP

The table below provides the list of data fields and descriptions displayed under the Transactions – Loan Filter section.

Field	Description
Trans Date	The date transaction is posted in the Servicing Module either manually or through B2G.
Effect Date	The date the payment was made by the previous/current Lender/Investor for the incurred expense (Example: The date payment was made to the contractor for lawn mowing or the date the Taxes were paid to the Tax Authority).
Code	A 4 digit unique transaction code assigned by the system for a specific transaction.
Description	Short description of the transaction.
Prin Amt	The principal amount associated with the transaction.
Int Amt	The interest amount associated with the transaction.
MIP Amt	The Mortgage Insurance Premium amount associated with the transaction (for pre-assigned transactions).
SF Amt	The Service fee amount associated with the transaction.
Loan Bal Trans Amt	Sum of principal, interest, MIP and service fee amount.
Corp Adv Amt	Transaction amount associated with the Corp Advance expense paid by the Lender/Investor (N/A for assigned loans).
%Recoverable	The percentage of the transaction amount that can be recovered by the Lender/Investor (for pre-assigned transactions).
Recoverable Amt	The transaction amount which is recoverable by the Lender/Investor for Corp Advance transactions (N/A for assigned loans).
Late Charge Amt	The late charge amount associated with the transaction.
Penalty Int Amt	The penalty interest associated with the transaction.
Trans Total	Sum of loan balance, late charge and penalty interest amount.
Lender	Lender associated with the loan.
Servicer	Servicer associated with the loan.
Investor	Investor/holder associated with the loan.
Incurred Date	This is the date the expense was incurred by the Lender/Investor (N/A for Assigned loans). Example: The date the lawn mowing service was completed or the date the taxes payments were missed/due. This field is required for the following transaction categories: • Corp Advance Sections 305, 306, 307, 308, 309, 310 and 409. • Corp Advance - Property Preservation
P & P Approved	This checkbox indicates whether the P&P transaction is approved by HUD (N/A for assigned loans).
One Time Expense	This checkbox indicates whether the P&P transaction is a one-time expense. One-time expenses are not added to the maximum allowable P&P limit (N/A for assigned loans).

Field	Description
Prev. Approved	This checkbox indicates whether the P&P transaction was previously approved (N/A for assigned loans).
Max. Approved	This checkbox indicates whether the P&P transaction amount is within the maximum allowable limit. HUD approval is not required if this box is checked (N/A for assigned loans).
Created By	The user name who initiated the transaction.
Create Date	The date and time the transaction is recorded in the system.

Table 6-1: Transactions - Loan Screen

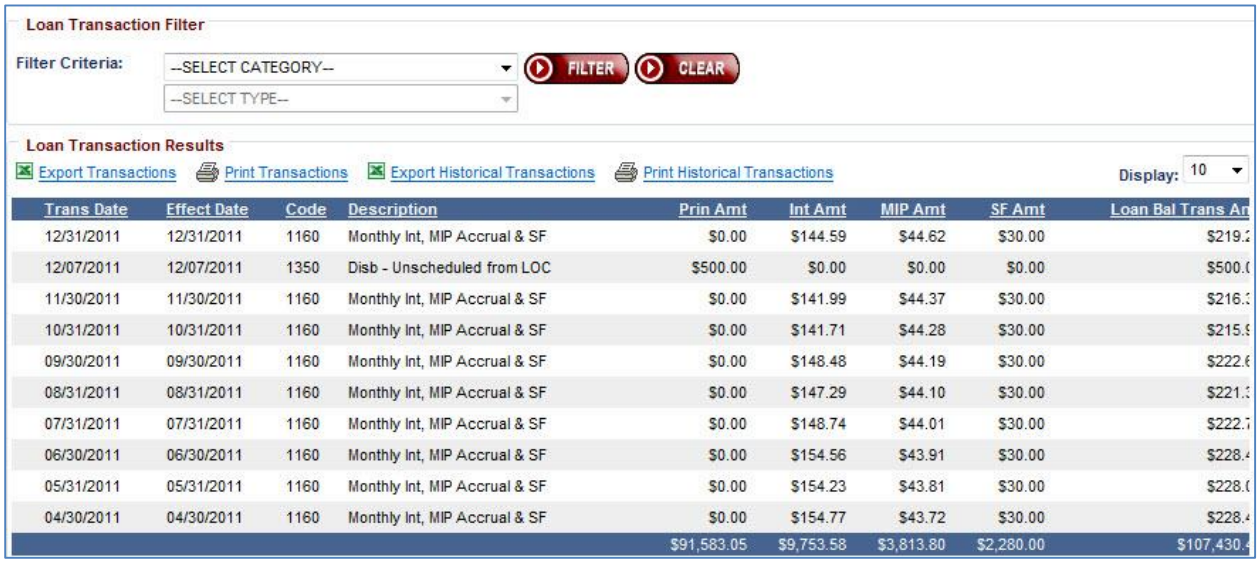
To filter the transactions by transaction category:

Step 1. Select the **Transaction Category** from the dropdown.

Step 2. Select the **Transaction Type** from the dropdown (if needed).

Step 3. Click **Filter** to view the filtered transactions under the **Loan Transactions Results** section. No results are displayed if no transactions match the filter criteria entered by the user.

Step 4. Click **Clear** to clear the selected filters and view all transactions.



Trans Date	Effect Date	Code	Description	Prin Amt	Int Amt	MIP Amt	SF Amt	Loan Bal Trans An
12/31/2011	12/31/2011	1160	Monthly Int, MIP Accrual & SF	$0.00	$144.59	$44.62	$30.00	$219.2
12/07/2011	12/07/2011	1350	Disb - Unscheduled from LOC	$500.00	$0.00	$0.00	$0.00	$500.0
11/30/2011	11/30/2011	1160	Monthly Int, MIP Accrual & SF	$0.00	$141.99	$44.37	$30.00	$216.3
10/31/2011	10/31/2011	1160	Monthly Int, MIP Accrual & SF	$0.00	$141.71	$44.28	$30.00	$215.9
09/30/2011	09/30/2011	1160	Monthly Int, MIP Accrual & SF	$0.00	$148.48	$44.19	$30.00	$222.6
08/31/2011	08/31/2011	1160	Monthly Int, MIP Accrual & SF	$0.00	$147.29	$44.10	$30.00	$221.3
07/31/2011	07/31/2011	1160	Monthly Int, MIP Accrual & SF	$0.00	$148.74	$44.01	$30.00	$222.7
06/30/2011	06/30/2011	1160	Monthly Int, MIP Accrual & SF	$0.00	$154.56	$43.91	$30.00	$228.4
05/31/2011	05/31/2011	1160	Monthly Int, MIP Accrual & SF	$0.00	$154.23	$43.81	$30.00	$228.0
04/30/2011	04/30/2011	1160	Monthly Int, MIP Accrual & SF	$0.00	$154.77	$43.72	$30.00	$228.4
				$91,583.05	$9,753.58	$3,813.80	$2,280.00	$107,430.4

Figure 6-18: Loan Transactions Filter and Results Section

6.5.1.2 Creating a New Loan Transaction

The table below lists the Transaction categories in the New Loan Transaction window for Assigned loans:

Transaction Category	Description
Repays	Transactions within this category are initiated by the servicer (on-behalf of a borrower) to repay a partial amount to reduce the current unpaid loan balance.
Terminate	Transactions within this category are initiated by the servicer to terminate a loan and provide a reason for termination.

Table 6-2: Transaction Categories

6.5.1.3 Repays

A partial repayment transaction is initiated by HUD NSC Contractor on behalf of a borrower to repay a partial amount to reduce the current unpaid loan balance. The system will not allow repayment amount same as payoff amount. For full repayment, terminate transaction must be used.

To perform a Repay transaction:

Step 1. Click **New** on the **Transactions - Loan** screen.

Step 2. On the **New Loan Transaction** window, select Repay from **Transactions Category** dropdown. The Transaction Type field automatically populates with the entry Part Repay – Reduce Loan Balance if the pay plan is not modified term or modified tenure.

Step 3. Populate the below listed required fields (marked with red asterisk):

- Transaction Type
- Effective Date
- Transaction Amount

Step 4. Click **Submit**. The Loan Balance field under the Balance Information section (header) reflects the updated loan balance. The new transaction is displayed in the **Loan Transaction Results** section. To exit the window without adding the transaction click **Cancel.**

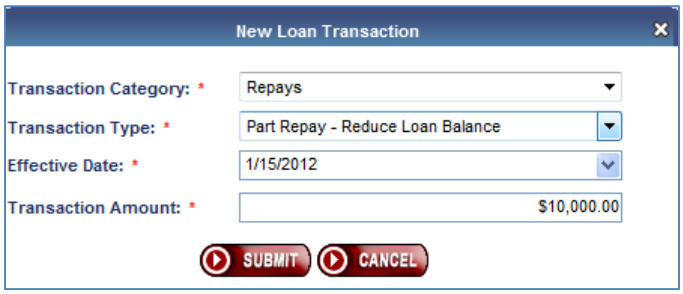


Figure 6-19: Repay Transaction Window

Step 5. To adjust the repay transaction, select the **document icon** beside the transaction, on the **Adjust Loan Transaction** window, click **Submit** to reverse the transaction.

Step 6. A new repay adjustment transaction is added and displayed under the **Loan Transactions Results** section reflecting the reversed amount.

The table below lists the Repay transactions that can be manually created using the New Loan Transactions window.

Transaction	Description
Partial Repay - Reduce Loan Balance	When the partial repayment transaction is complete, HUD NSC can view the updated (reduced) loan balance in the Loan Balance header. This transaction applies to all pay plan types.
Partial Repay - Increase CLSA + Reduce Loan Balance	When the partial repayment transaction is complete, HUD NSC can view the updated (reduced) unpaid loan balance and increases to the available line of credit. This transaction applies only to modified term and modified tenure pay plans.

Table 6-3: Repay Transactions

6.5.1.4 Termination

The Termination transaction is initiated by the HUD NSC Contractor to notify HUD of the termination of the HECM loan. Upon termination, the case status of the loan is updated to "Terminated" and loan balance is set to zero. The case sub status is updated based on the reason selected by the HUD NSC Contractor at the time of termination transaction.

To terminate a loan for a borrower:

Step 1. Click **New** on the **Transactions - Loan** screen.

Step 2. On the **New Loan Transaction** window, select Terminate from **Transactions Category** dropdown.

- Populate the below listed required fields (marked with red asterisk):
- Transaction Type
- Effective Date

Step 3. Transaction Amount

Step 4. Click **Submit.**

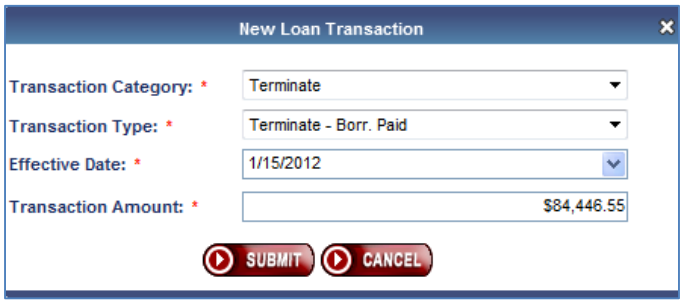


Figure 6-20: New Loan Transaction - Terminate

Step 5. A pop-up window is displayed requesting the user to confirm the action and notifying user that the case status will be updated to **Terminated**.

Step 6. Click **OK** on the pop-up window. The new transaction is displayed in the **Loan Transaction Results** section and case status and case sub status is updated. To exit the pop-up window without adding the transaction click **Cancel.**

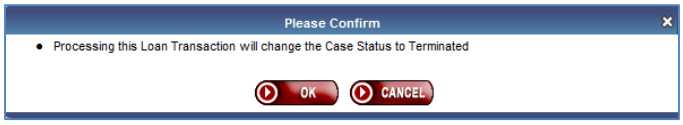


Figure 6-21: Confirmation Message

Step 7. To adjust the terminate transaction, select the **document icon** beside the transaction, on the **Adjust Loan Transaction** window, click **Submit** to reverse the transaction.

Step 8. A new terminate adjustment transaction is added and displayed under the **Loan Transactions Results** section reflecting the reversed amount.

The table below lists the Terminate transactions that can be manually created using the New Loan Transactions window.

Transaction	Description
Terminate – Borrower Paid	Initiated by HUD NSC Contractor to terminate the loan if the borrower paid off the loan in full. The pay-off amount will be treated as a COLLECTION by HUD. **Note:** If the pay-off amount is not within the overage or shortage threshold limit set by HUD, system will not allow the termination of the loan for this termination type.
Terminate – Borrower Moved	Initiated by HUD NSC Contractor to terminate the loan if the borrower moved out of the mortgaged property. The pay-off amount will be treated as a COLLECTION by HUD. **Note:** If the pay-off amount is not within the overage or shortage threshold limit set by HUD, system will not allow the termination of the loan for this termination type.
Terminate – Death	Initiated by HUD NSC Contractor to terminate the loan if the last surviving borrower has died. The pay-off amount will be treated as a COLLECTION by HUD. **Note:** If the pay-off amount is not within the overage or shortage threshold limit set by HUD, system will not allow the termination of the loan for this termination type.
Terminate – DIL Conveyed	Initiated by HUD NSC Contractor once HUD owns the deed of the mortgaged property in lieu of foreclosure. **Note:** If the pay-off amount is not within the overage or shortage threshold limit set by HUD, system will not allow the termination of the loan for this termination type.
Terminate – FCL Conveyed	Initiated by HUD NSC Contractor to terminate the loan after the mortgaged property is foreclosed. **Note:** If the pay-off amount is not within the overage or shortage threshold limit set by HUD, system will not allow the termination of the loan for this termination type.
Terminate – REO/3rd Party FCL Sale (PIF)	Initiated by HUD NSC Contractor to terminate a loan due to a third-party sale of the property via foreclosure sale when the proceeds are sufficient to pay off outstanding mortgage debt in full. No claim will be filed. The pay-off amount will be treated as a COLLECTION by HUD.

Transaction	Description
Terminate – Short Sale (PIF W/Write –Off)	Initiated by HUD NSC Contractor to terminate the loan when a short sale is initiated by HUD via foreclosure. The pay-off amount will be treated as a COLLECTION by HUD.
Terminate – Full Write-Off	Initiated by HUD NSC Contractor (upon approval from HUD NSC) to terminate the loan with full write-off. The pay-off amount will be treated WRITTEN OFF by HUD.
Terminate – Other	Initiated by HUD NSC Contractor to terminate the loan for other reasons not included in the Termination transactions above. **Note:** If the pay-off amount is not within the overage or shortage threshold limit set by HUD, system will not allow the termination of the loan for this termination type. The pay-off amount will be treated as a COLLECTION by HUD.

Table 6-4: Terminate Transactions

6.5.1.5 Balance Adjustments

The Balance Adj button enables the authorized user to correct the loan balance. Only an authorized role with this permission enabled can perform this function.

To perform a Balance adjustment of a loan:

Step 1. Click **Balance Adj**. on the **Transactions - Loan** screen.

Step 2. On the **Adjust Loan Transaction** window, enter the amounts in the Correct Amount column.

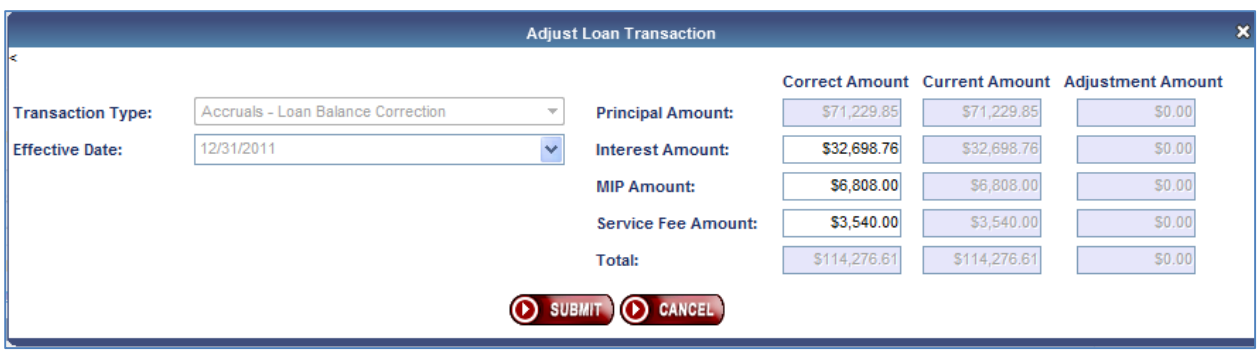


Figure 6-22: Adjust Loan Balance Window

Step 3. Click **Submit**. A new transaction "Accruals – Loan Balance Correction" is added reflecting the corrected amounts under the Loan Transactions Results section.

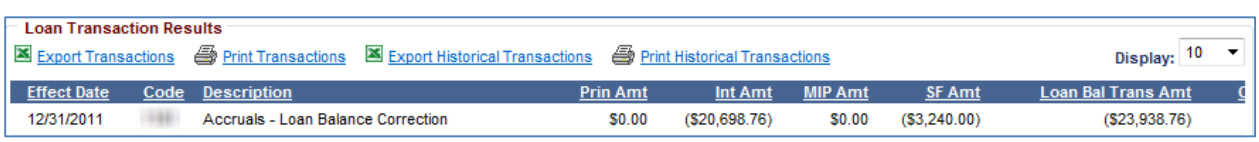


Figure 6-23: Loan Balance Adjustment Transaction

6.5.1.6 Write-off

The Write-off button enables the authorized user to perform a partial write-off. Only authorized roles with this permission enabled can perform this function. To perform a partial write-off:

Step 1. Click Write-off on the Transactions - Loan screen.

Step 2. On the Write-off window, enter the amounts in the following fields:
- Principal
- Interest
- MIP
- Service Fee
- Corp Advance

Step 3. Click **Submit**. This will create the partial write-off transaction.

Step 4. A new transaction, Write-Off - Manual, is added reflecting the updated amounts under the **Loan Transactions Results** section.

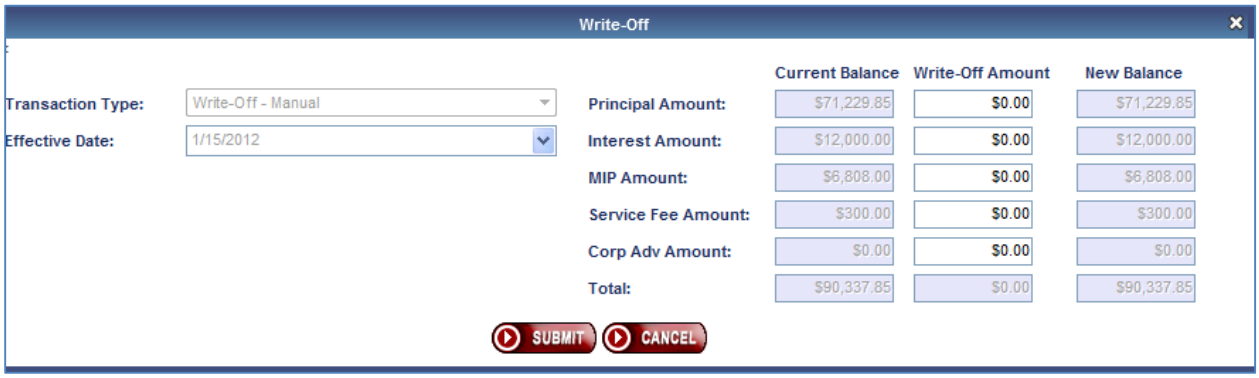


Figure 6-24: Write-off Transaction Window

Step 5. To adjust the transaction, select the **document icon** beside the transaction on the Adjust Loan Transaction window and click **Submit** to reverse the transaction.

Step 6. A new transaction, Write-Off - Manual Adj, is added and displayed under the **Loan Transactions Results** section reflecting the reversed amount.

6.5.1.7 Life Expectancy Set Aside (LESA) Repays

A partial repayment transaction is initiated by HUD NSC Contractor on behalf of a borrower to repay a Partial Life Expectancy Set Aside amount to reduce the current unpaid loan balance. The system will not allow repayment amount same as payoff amount. For full repayment, terminate transaction must be used.

To perform a Repay transaction:

Step 1. Click **New** on the **Transactions - Loan** screen.

Step 2. On the New Loan Transaction window, select Repays-LESA from Transactions Category dropdown. The Transaction Type field automatically populates with the entry Part Repays –LESA if the pay plan is not modified term or modified tenure.

Step 3. Populate the below listed required fields (marked with red asterisk):

- Transaction Type

- Effective Date
- Transaction Amount

Step 4. Click **Submit**. The Loan Balance field under the Balance Information section (header) reflects the updated loan balance. The Life Expectancy Set Aside amount increase in the Principal Limit Calculation section in the Loan Balance page. The new transaction is displayed in the **Loan Transaction Results** section. To exit the window without adding the transaction click **Cancel.**

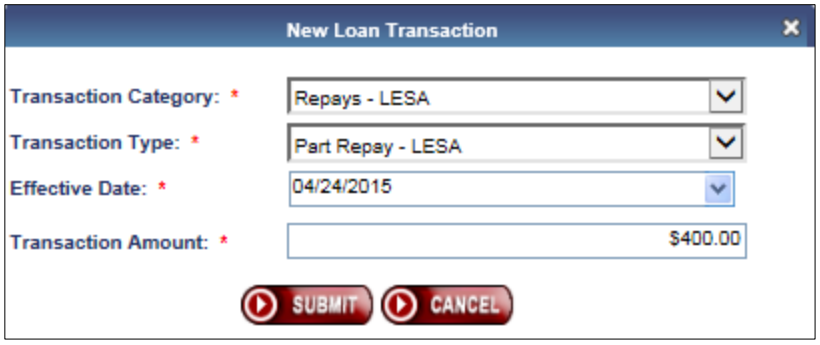


Figure 6-25: Repays- LESA Transaction Window

Step 5. To adjust the repay transaction, select the document icon beside the transaction, on the Adjust Loan Transaction window, click Submit to reverse the transaction.

Step 6. A new repay adjustment transaction is added and displayed under the Loan Transactions Results section reflecting the reversed amount.

The table below lists the Repay transactions that can be manually created using the New Loan Transactions window.

Transaction	Description
Partial Repay-LESA	When the partial repayment transaction is complete, HUD NSC can view the updated (reduced) loan balance in the Loan Balance header. This transaction applies to all pay plan types.

Table 6-5: LESA Repay Transactions

6.5.2 Repay Transactions - Growth

This screen displays the growth transactions associated with line of credit, principal limit and unscheduled line of credit disbursements. This screen allows the authorized user to filter and view specific growth transactions within a transaction category. The growth transactions are automatically initiated by the system.

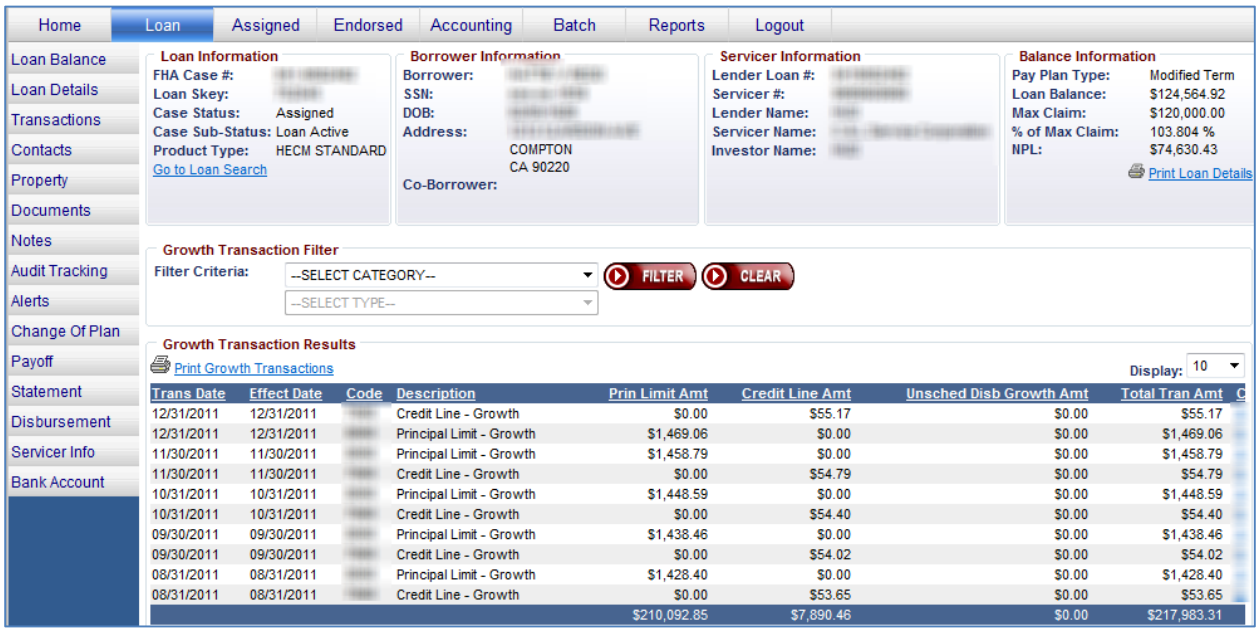


Figure 6-26: Transactions - Growth

The table below lists the Growth transactions that are automatically initiated by the system.

Transaction	Description
Credit Line Transactions	Transactions generated for loans which have an available line of credit for borrower.
Credit Line Original – Setup	This transaction is generated in Servicing Module when certain amount is set aside from line of credit. This transaction is generated for pay plan types Modified Tenure and Modified Term.
Credit Line Original - Setup Adj	This transaction is an adjustment/reversal of transaction 'Credit Line Original - Setup'.
Credit Line – Growth	This transaction is generated in Servicing Module to depict the monthly Line of credit growth.
Credit Line - Growth Adj	This transaction is an adjustment/reversal of transaction 'Credit Line - Growth'.
Credit Line - Change Of Plan Adj	This transaction is generated in Servicing Module when a change of payment plan occurs. This transaction is generated when there is a change of payment plan from Modified Tenure to Modified Term or vice-versa.
Principal Limit Transaction	Transaction generated for all loans to depict the monthly Principal limit changes.
Principal Limit Original – Setup	This transaction is generated in Servicing Module when the original principal limit is setup during the loan setup.

Transaction	Description
Principal Limit Original - Setup Adj	This transaction is an adjustment/reversal of transaction 'Principal Limit Original - Setup'.
Principal Limit – Growth	This transaction is generated in Servicing Module to depict the monthly principal limit growth.
Principal Limit - Growth Adj	This transaction is an adjustment/reversal of transaction 'Principal Limit - Growth'.
Unscheduled Credit Line Disbursement Transaction	Transactions generated for loans eligible for unscheduled line of credit disbursements.
UnSch LOC Disb - Int & MIP Accrual	This transaction is generated in Servicing Module to display the interest and MIP accruals on an unscheduled disbursements taken from available line of credit. This is applicable for pay plan types Modified Tenure and Modified Term.

Table 6-6: Growth Transactions

6.5.2.1 Transactions – Growth Filter

The Growth Transaction Filter section allows the authorized user to view the transactions according to the filter criteria selected.

To filter the transactions by transaction category:

Step 1. Select the **Transaction Category** from the dropdown.

Step 2. Select the **Transaction Type** from the dropdown (if needed).

Step 3. Click **Filter** to view the filtered transactions under the **Growth Transactions Results** section. No results are displayed, if no transactions match the filter criteria entered by the user.

Step 4. Click **Clear** to clear the selected filters and view all transactions.

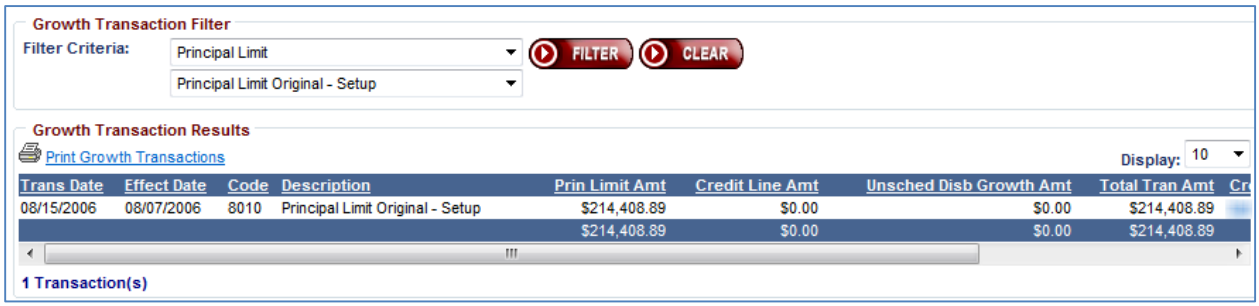


Figure 6-27: Growth Transactions Filter and Results Section

6.5.3 Transactions - Set Asides

This screen displays all the Set Aside transactions associated with the loan. This screen allows the user to perform the following functions:

Step 1. **Set Aside Transaction Filter:** This allows the user to filter and view specific transactions within a transaction category.

Step 2. **New Transactions**: This allows the authorized user with the ability to add set aside transactions on the Loan.

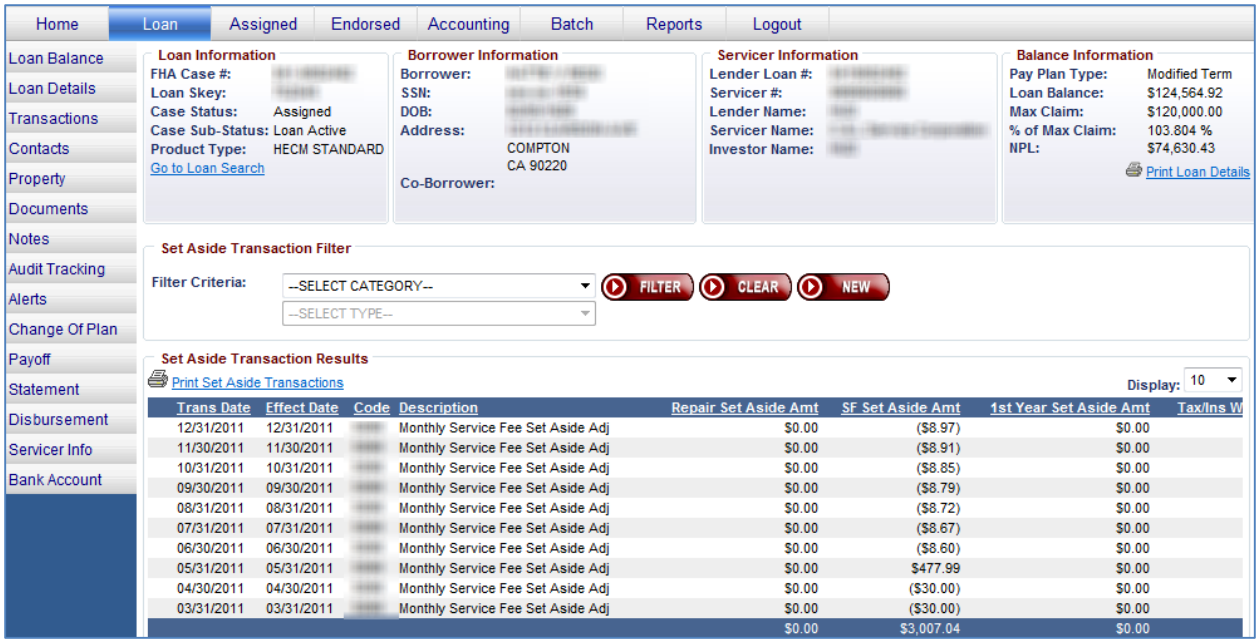


Figure 6-28: Transactions - Set Aside

6.5.3.1 Transactions – Set Aside filter

The Set Aside Transaction Filter section allows the authorized user to view the transactions according to the filter criteria selected.

To filter the transactions by transaction category:

Step 1. Select the **Transaction Category** from the dropdown.

Step 2. Select the **Transaction Type** from the dropdown (if needed).

Step 3. Click **Filter** to view the filtered transactions under the **Set Aside Transactions Results** section. No results are displayed if no transactions match the filter criteria entered by the user.

Step 4. Click **Clear** to clear the selected filters and view all transactions.

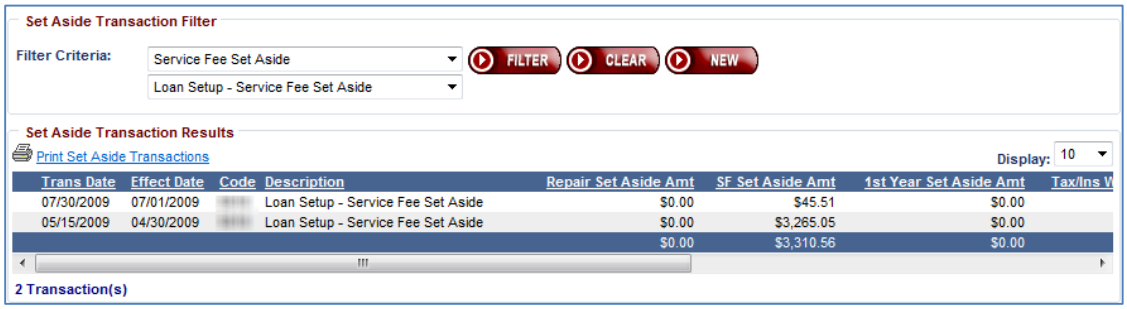


Figure 6-29: Set Aside Transactions Filter and Results Section

6.5.3.2 Creating a New Set Aside Transaction

The New button allows the authorized user to add Set Aside transactions. The following transactions can be initiated manually by the user:

- 1st Yr Taxes & Ins – Setup

- Repair Set Aside – Setup
- Loss Draft – Setup

6.5.3.3 1st Yr Taxes and Ins - Setup

This transaction is initiated by the HUD NSC Contractor when an amount is set aside for payment of Taxes and Insurance on the mortgaged property. This transaction can be applied to all pay plans.

To create a 1st Yr Taxes and Ins Set Aside transaction:

Step 1. Click **New** on the **Transactions – Set Aside** screen.

Step 2. On the **New Set Aside Transaction** window, select 1st Yr Taxes & Ins – Setup from the **Transaction Type** dropdown.

Step 3. Populate the below listed required fields (marked with red asterisk):
- Effective Date
- Transaction Amount

Step 4. Click **Submit**. The new transaction is displayed in the **Set Aside Transaction Results** section. To exit the window without adding the transaction click **Cancel.**

Figure 6-30: Set Aside - Taxes & Insurance Transaction

Step 5. To adjust the Set Aside transaction, select the **document icon** beside the transaction, on the **Adjust Set Aside Transaction** window, enter the transaction amount and click **Submit** to adjust the transaction.

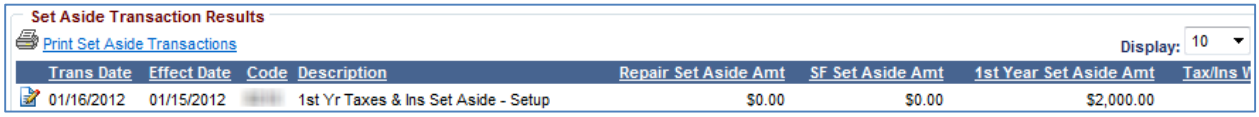


Figure 6-31: Document Icon Beside Set Aside Transaction

Step 6. A new 1st Yr Taxes & Ins – Setup Adj transaction is added and displayed under the **Set Aside Transactions Results** section reflecting the adjusted amount.

Figure 6-32: 1st Year Taxes & Ins. Set Aside Adjustment Transaction

6.5.3.4 Repair Set Aside- Setup

This transaction is initiated by the HUD NSC Contractor when an amount is set aside for any repairs on the mortgaged property, this transaction will be used for loans converted from HUD's legacy system (SMART) with repair set aside amount greater than zero dollars. For the loans where repairs

are initiated in the Servicing Module, Loss Draft Set Aside transaction will be used. This transaction can be applied to all pay plans.

To create a Repair Set Aside transaction:

Step 1. Click **New** on the **Transactions – Set Aside** screen.

Step 2. On the **New Set Aside Transaction** window, select Repair Set Aside – Setup from the **Transaction Type** dropdown.

Step 3. Populate the below listed required fields (marked with red asterisk):
- Effective Date
- Transaction Amount

Step 4. Click **Submit**. The new transaction is displayed in the **Set Aside Transaction Results** section. To exit the window without adding the transaction click **Cancel.**

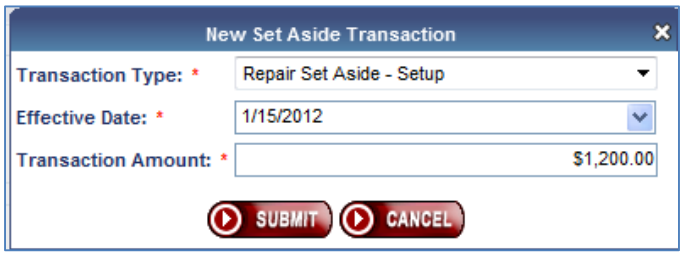


Figure 6-33: Set Aside - Repair Transaction Window

Step 5. To adjust the Set Aside transaction, select the **document icon** beside the transaction, on the **Adjust Set Aside Transaction** window, enter the transaction amount and click **Submit** to adjust the transaction.

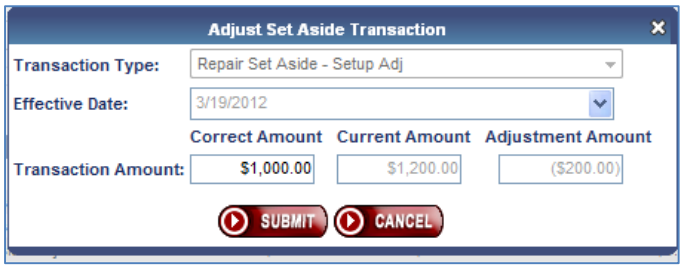
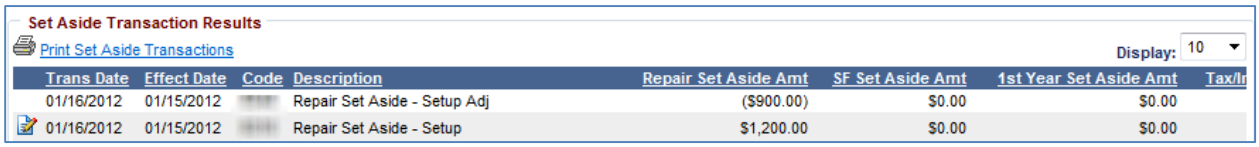


Figure 6-34: Adjust Set Aside Transaction Window

Step 6. A new Repair Set Aside – Setup Adj transaction is added and displayed under the **Set Aside Transactions Results** section reflecting the adjusted amount.



Trans Date	Effect Date	Code	Description	Repair Set Aside Amt	SF Set Aside Amt	1st Year Set Aside Amt	Tax/In
01/16/2012	01/15/2012	[illegible]	Repair Set Aside - Setup Adj	($900.00)	$0.00	$0.00	
01/16/2012	01/15/2012	[illegible]	Repair Set Aside - Setup	$1,200.00	$0.00	$0.00	

Figure 6-35: Repair Set Aside Adjustment Transaction

6.5.3.5 Loss Draft Set Aside- Setup

This transaction is initiated by the HUD NSC Contractor when a hazard insurance claim payment is received from the mortgagor or the hazard insurance company. The insurance proceeds are placed

into the set-aside account to be disbursed based on appropriate documentation received. This transaction can be applied to all pay plans.

To create a Loss Draft Set Aside transaction:

Step 1. Click **New** on the **Transactions – Set Aside** screen.

Step 2. On the **New Set Aside Transaction** window, select Loss Draft – Setup from the **Transaction Type** dropdown.

Step 3. Populate the below listed required fields (marked with red asterisk):
- Effective Date
- Transaction Amount

Step 4. Click **Submit**. The new transaction is displayed in the **Set Aside Transaction Results** section. To exit the window without adding the transaction click **Cancel.**

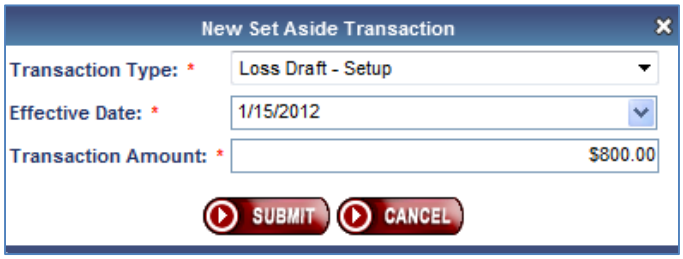


Figure 6-36: Set Aside - Repair Transaction Window

Step 5. To adjust the Set Aside transaction, select the **document icon** beside the transaction, on the **Adjust Set Aside Transaction** window, enter the transaction amount and click **Submit** to adjust the transaction.

Step 6. A new Loss Draft – Setup Adj transaction is added and displayed under the **Set Aside Transactions Results** section reflecting the adjusted amount.

6.5.4 Transactions - Claims

This screen displays the claims transactions associated with claim submissions. This screen allows the user to filter and view specific claim transactions within a transaction category. The claim transactions are automatically initiated by the system when a claim is approved by HUD. Only transactions associated with Claim Type 22 are applicable for Assigned loans.

The table below lists the Claim transactions that are automatically initiated by the system.

Transaction	Description
Claim Type 21 - FCL/DIL	This transaction is automatically initiated by the Servicing Module upon approval of Claim Type 21 by HUD.
Claim Type 22 - Optional Assignment	This transaction is automatically initiated by the Servicing Module upon auto-approval of Claim Type 22.
Claim Type 23 - Mortgagor Sale	This transaction is automatically initiated by the Servicing Module upon approval of Claim Type 23 by HUD.
Claim Type 21 – Supplemental	This transaction is automatically initiated by the Servicing Module upon approval of Claim Type 24 by HUD provided the initial claim is a Claim Type 21.

Transaction	Description
Claim Type 23 – Supplemental	This transaction is automatically initiated by the Servicing Module upon approval of Claim Type 24 by HUD provided the initial claim is a Claim Type 23.
Claim Type 22 - Funds Due HUD	Automatically initiated by the Servicing Module upon denial of assignment (Claim Type 22 post preliminary title approval and pre final title approval) by HUD. The transaction is initiated to recover the advances made previously by HUD.
Interest on HUD Advances	Automatically initiated by the Servicing Module upon denial of Assignment (Claim Type 22 post preliminary title approval and pre final title approval) by HUD. The transaction is initiated to recover the interest amount on the advances made previously by HUD.
Claim Type 22 – Repurchase	For assigned loans, this transaction is automatically initiated by the Servicing Module upon approval of Assignment Repurchase by HUD.
Claim Type 22 - Repurchase Adj	Automatically initiated by the Servicing Module if there is a difference in payoff amount between the date HUD approved repurchase and servicer authorized the repayment transaction.

Table 6-7: Claims Transactions

6.5.5 Notes Collections

This section explains the notes collection processing in HERMIT (Servicing and Accounting Modules) system.

1. The Servicing Module generates the notes receivable transaction when the collection transactions are initiated in the system by the HUD NSC Contractor for Assigned loans (for example: Payoff). The loan balance is adjusted in the system. These FHA cases are sent to the Accounting Module via an interface file.
2. The Servicing Module assigns a batch ID and batch status for the notes receivable request to track the status. Once the file is generated and sent to the Accounting Module, the batch status (Sent to GL) is updated to indicate that the transaction has been sent to the Accounting Module.
3. The Accounting Module processes the file, records the receivable transactions and sends a response file to the Servicing Module. The Servicing Module processes the response file from the Accounting Module and updates the batch status (Success).
4. The HUD NSC Contractor generates the notes collection transactions report (based on transaction date) from the Accounting Transmittals screen in the Servicing Module.
5. The HUD NSC Contractor scans checks received and enters other pertinent data into Treasury's Paper Check Conversion Over the Counter (PCC-OTC) application. Upon completion, a daily PCC-OTC collections report is generated.
6. The PCC-OTC daily collections report is reconciled to the Servicing Module daily collections transactions report. This validation confirms that all transactions entered to the Servicing Module were also scanned into PCC-OTC and that all applicable dollar amounts match.
7. Treasury PCC-OTC processes collections. Treasury submits the collection through the Federal Reserve and the payer bank account is debited.

6.6 Contacts

The Contact screen is displayed when a user selects the Contacts tab from the menu on the left side of the screen. This screen displays the borrower, co-borrower and non borrowing spouse information received from CHUMS at the time of loan setup. In addition, the screen enables authorized users to add new contacts other than borrower and co-borrower, edit existing contact information, and delete a contact. The screen also enables user to deactivate a non borrowing spouse, if available.

The Contacts screen displays the following sections:

- Header section – Loan/Borrower/Servicer/Balance Information
- New button
- Contacts

6.6.1 Viewing a Contact

To view a contact:

Step 1. Click a **Contact Type** displayed under the **Contact Information** section.

Step 2. The Mailing Information, Other Information and Audit Information of the selected contact are displayed below the contact.

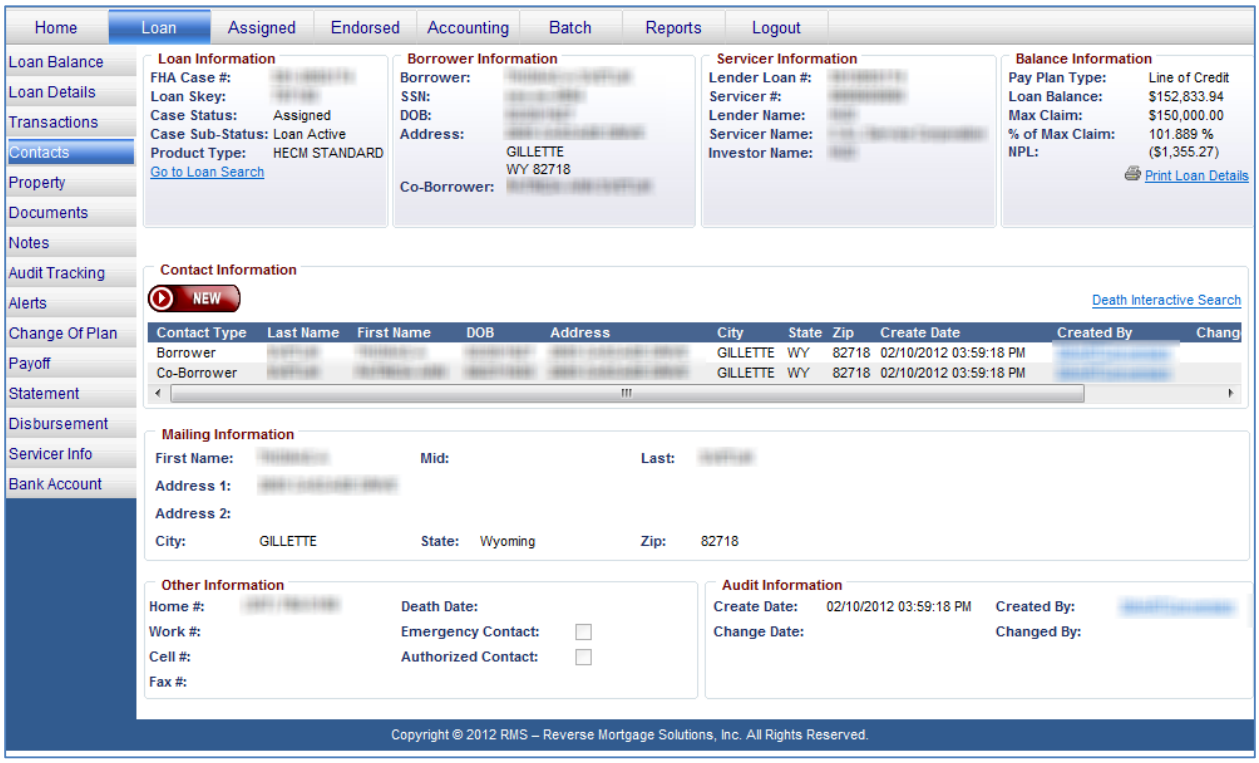


Figure 6-37: View Contact Information Screen

6.6.2 Adding a Contact

To add a contact:

Step 1. Click **New** in the **Contact Information** section.

Step 2. On the **Contact Info** window, populate the fields as needed (fields marked with red asterisk must be populated). Selecting the button Same as Contact Address will auto-

fill the contact name and address from the Contact Name & Address section to the Contact Mailing Info section.

Step 3. Click **Submit** to save the changes. The new contact is displayed under the Contact Information section. To exit the window without saving the changes click **Cancel**.

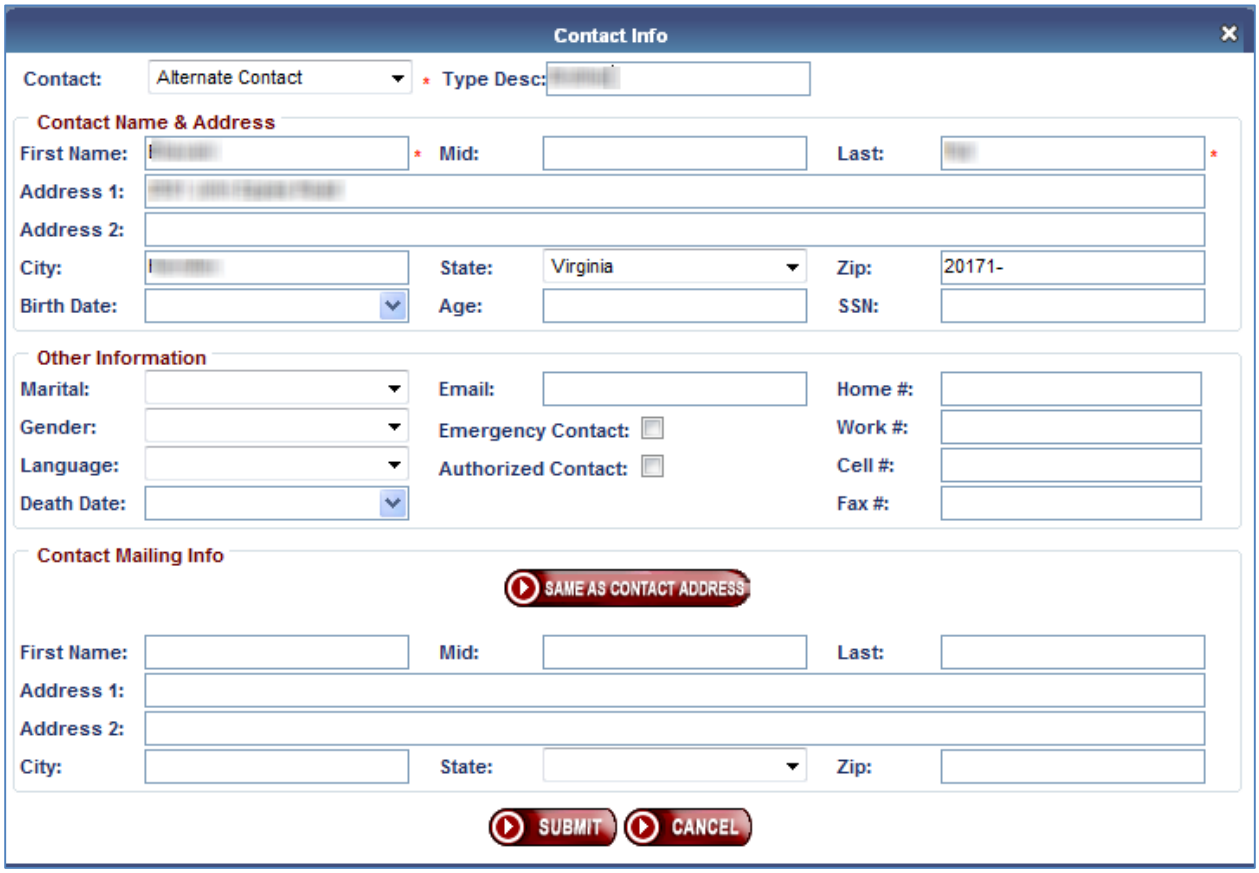


Figure 6-38: Add Contact Information Window

6.6.3 Editing a Contact

To edit a contact:

Step 1. Click the **document icon** beside the contact type in the **Contact Information** section.

Step 2. On the **Contact Info** window, edit the fields as needed (fields marked with red asterisk must be populated).

Step 3. Click **Submit** to save the changes. The updated information is displayed under the **Contact Information** section. To exit the window without saving the changes click **Cancel.**

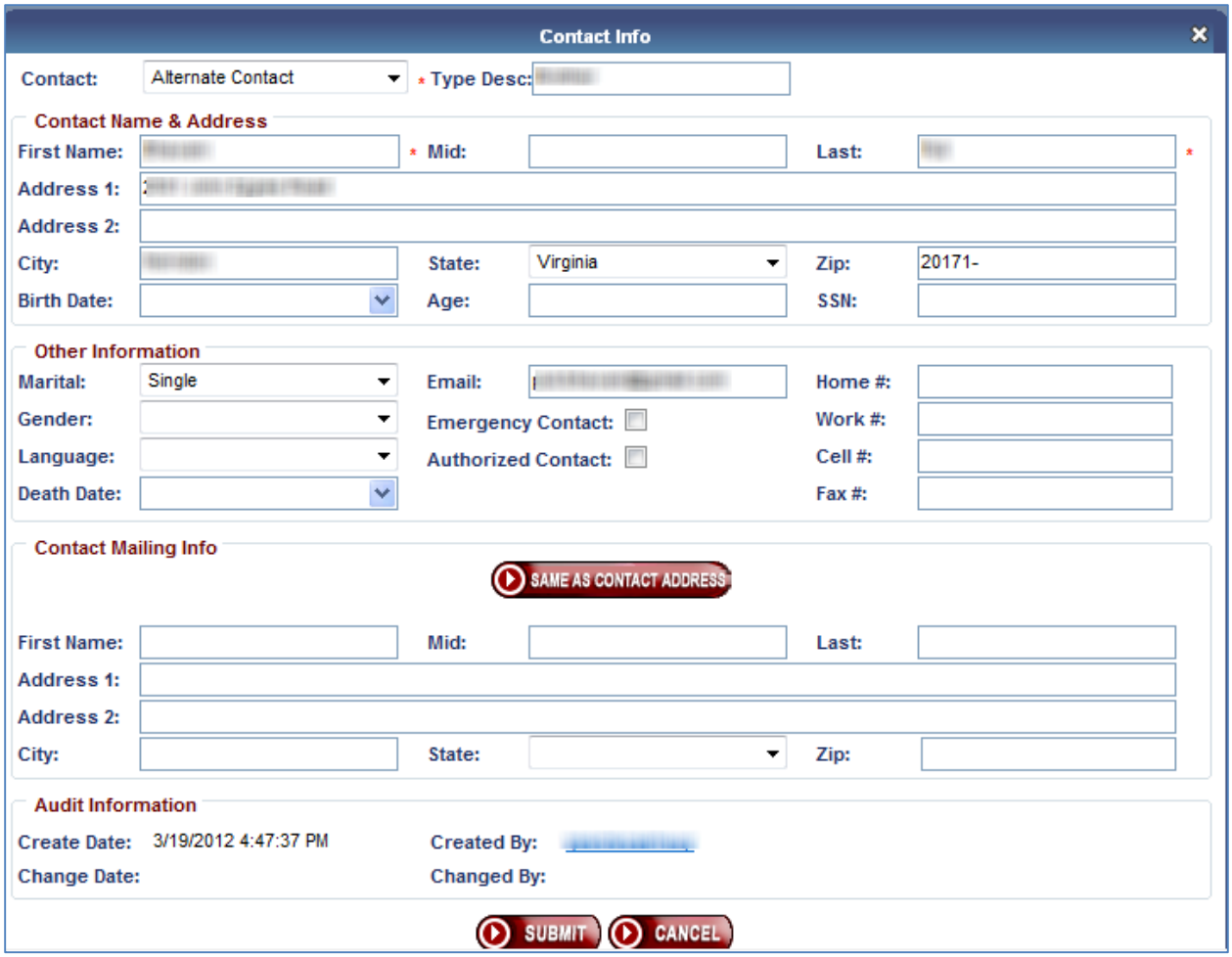


Figure 6-39: Edit Contact Information Window

6.6.4 Deleting a Contact

To delete a contact:

Step 1. Click the **cross** icon beside the contact type in the **Contact Information** section.

Step 2. A pop-up window is displayed requesting the user to confirm the action.

> The contact information of the Borrower and Co-Borrower Contact Type cannot be deleted.

Step 3. Click **OK** on the pop-up window, the selected contact will be deleted**.** To exit the message window without deleting a contact select **Cancel.**

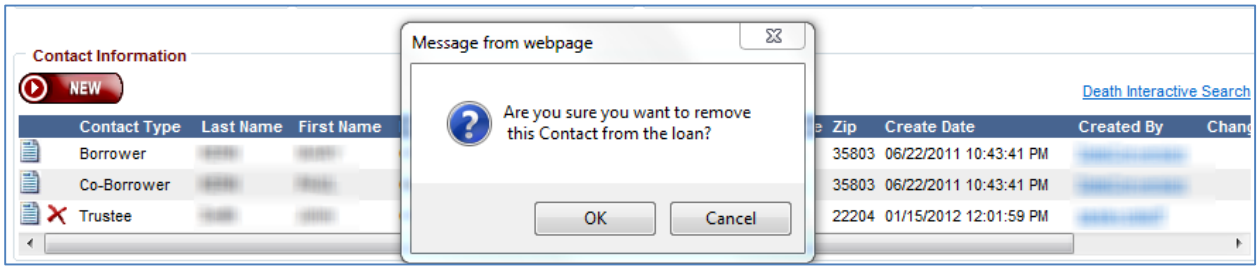


Figure 6-40: Delete Contact Information

6.6.5 Deactivating a Non Borrowing Spouse

To deactivate a non borrowing spouse:

Step 1. Click the **document icon** beside the contact type Non-Borrowing Spouse in the **Contact Information** section.

Step 2. On the Contact Info window, select the Deactivate NBS box.

(Note: In the event of the death of a NBS, entering the death date will cause the NBS to become inactive)

Step 3. Click **Submit** to save the changes. The updated information is displayed under the **Contact Information** section. To exit the window without saving the changes click **Cancel**.

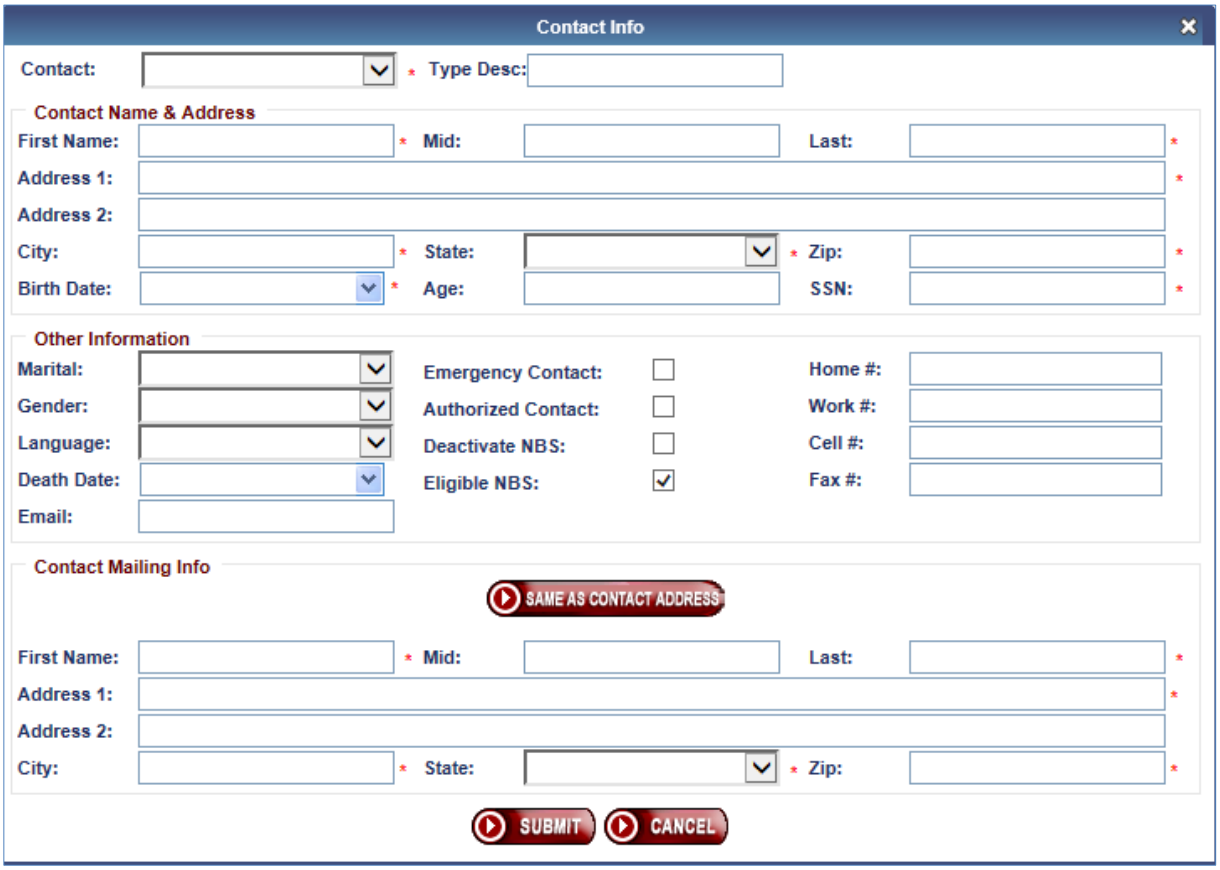


Figure 6-41: Deactivate a Non Borrowing Spouse

6.6.6 Viewing Eligible and Ineligible Non Borrowing Spouse

The Eligible NBS checkbox is placed under the Deactivate NBS checkbox in the Contact Info Screen. The checkbox when selected indicates that the Non Borrowing Spouse present on the loan is Eligible. The Checkbox when not selected indicates that Non Borrowing Spouse present on the loan is Ineligible.

6.6.7 Adding a Non Borrowing Spouse Contact

An authorized user can enter up to three Non Borrowing Spouses for the FHA Case numbers assigned prior to 08/04/2014

To add a contact:

Step 1. Click **New** in the **Contact Information** section.

Step 2. On the Contact Info Window, select Non Borrowing Spouse from the drop down menu.

Step 3. On the **Contact Info** window, populate the remaining fields as needed (fields marked with red asterisk must be populated). Selecting the button **Same as Contact Address** will auto-fill the contact name and address from the **Contact Name & Address** section to the **Contact Mailing Info** section. Contact field should be selected as **Non Borrowing Spouse.**

Step 4. Click **Submit** to save the changes. The new contact is displayed under the **Contact Information** section. To exit the window without saving the changes click **Cancel.**

6.6.8 Editing a Non Borrowing Spouse Contact

To edit a Non Borrowing Spouse contact:

Step 1. Click the document icon beside the Non Borrowing Spouse contact type in the Contact Information section.

Step 2. On the Contact Info window, edit the fields as needed (fields marked with red asterisk must be populated).

Step 3. Click Submit to save the changes. The updated information is displayed under the Contact Information section. To exit the window without saving the changes click Cancel.

6.7 Property

The Property screen is displayed when a user selects the Property tab from the menu on the left side of the screen. This tab has two sub-menu options:

- Property Info
- Property Values

6.7.1 Property Info

This screen displays the property details received from CHUMS at the time of loan setup. In addition, the screen allows authorized users to edit property details, upload or delete a property photo. The Property Information screen displays the following sections:

- Header section - Loan/Borrower/Servicer/Balance Information
- Property Details
- Audit Information
- Property Photo
- Property Location
- Local Statistics

The screen also displays the following links:

- **View Property Values** – This link navigates the user to the Property Values screen.
- **View Property Location** – This link activates the Google map to view the Property Location.
- **View Local Statistics** – This link activates the Local Statistics from Zillow associated with the property zip code.

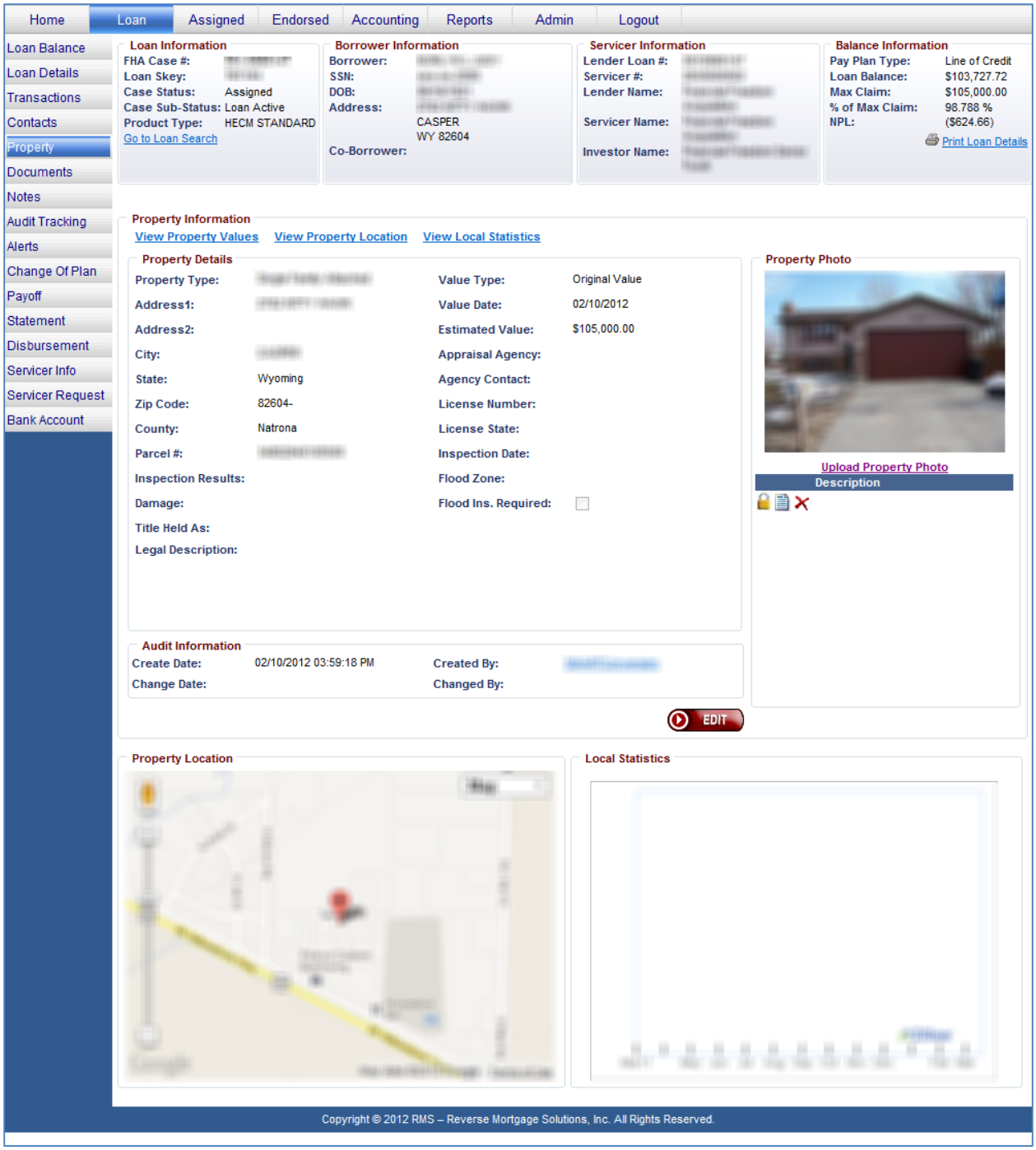


Figure 6-42: Property Information Screen

6.7.1.1 Editing Property Info

To edit the fields in the Property Details section:

Step 1. Click **Edit** in the **Property Details** section on the **Property Information** screen.

Step 2. On the **Edit Property Info** window, edit the fields.

Step 3. When Damage value is selected, the **Damage Date** and **Damage Amounts** are required.

Step 4. Click **Submit** to save the changes. The updated information is displayed under the **Property Details** section. To exit the window without saving the changes click **Cancel.**

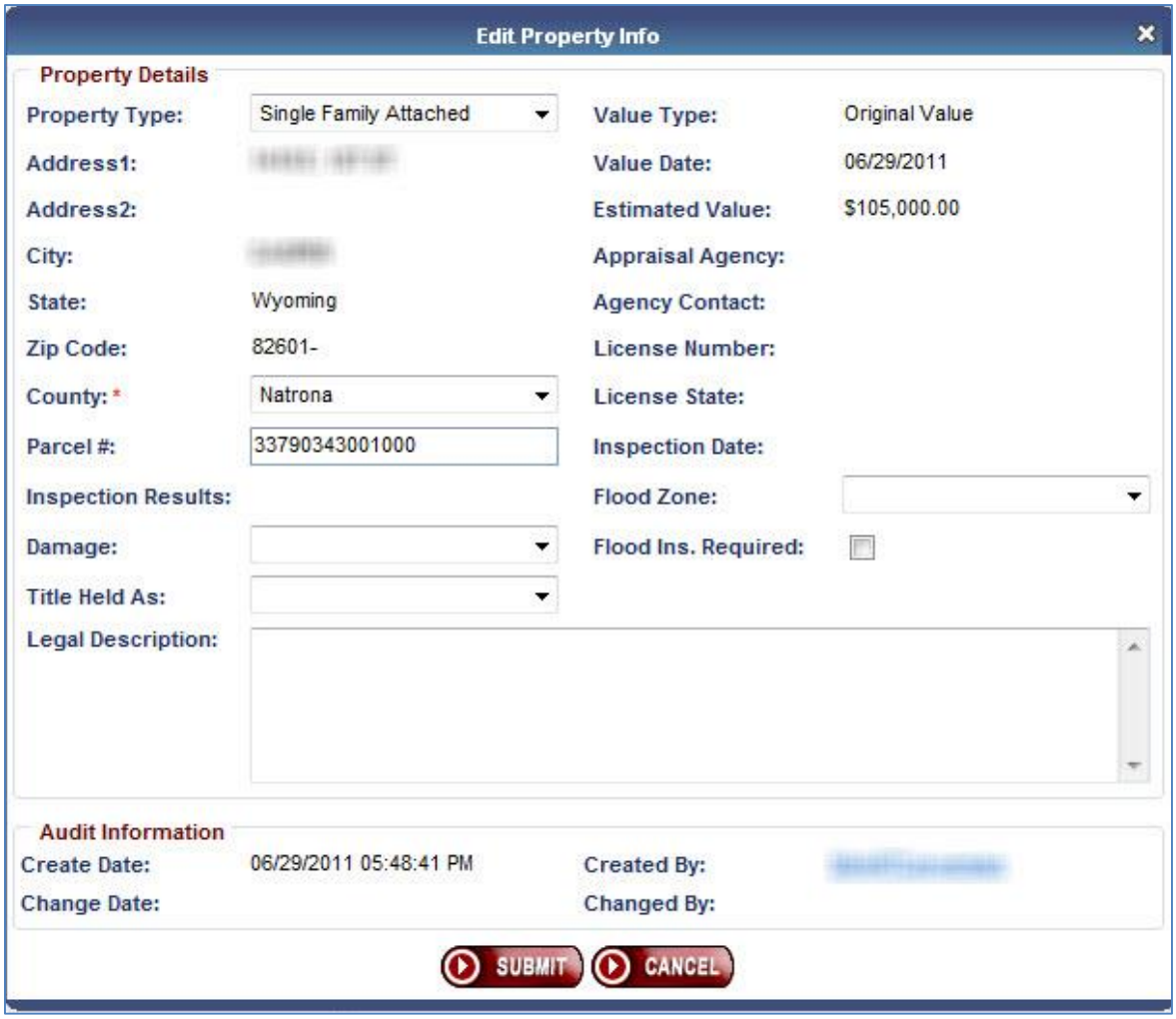


Figure 6-43: Edit Property Info Window

6.7.1.2 Uploading a Property Photo

To add a Property Photo:

Step 1. Click the **Upload Property Photo** link on the **Property Photo** section.

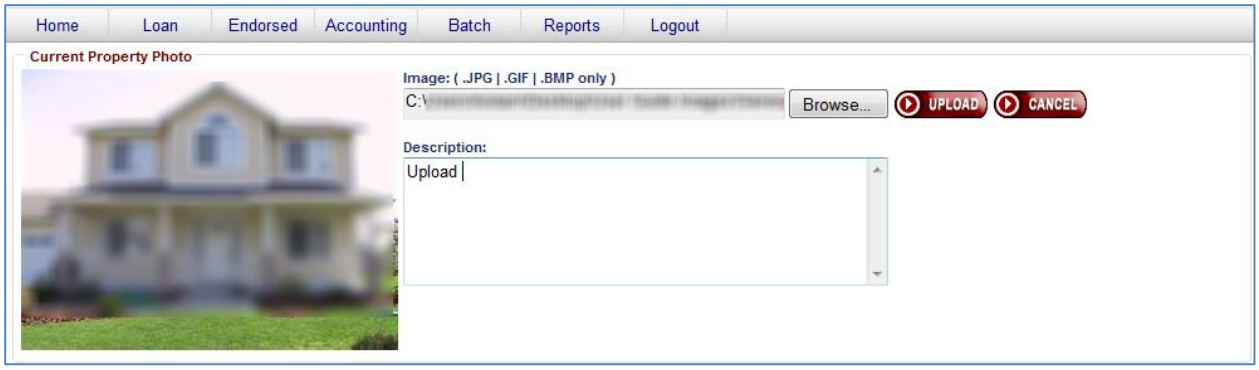


Figure 6-44: Upload Property Photo

Step 2. A new window is displayed with the upload option. Only images with .JPG, .GIF, and .BMP file extensions can be uploaded.

Step 3. Click **Browse**.

Step 4. Select the image to upload and click **Open.**

Step 5. Enter description in the **Description** field (optional).

Step 6. Click **Upload** to save the property photo. To exit the screen without uploading click **Cancel**.

6.7.1.3 Editing the Description for a Property Photo

To edit the property photo description:

Step 1. Click the **document icon** below the Description field under the **Property Photo** section.

Step 2. On the **Edit Property Description** window, edit the description field and click **OK** to save the changes. To exit the screen without saving the description click **Cancel**.

Figure 6-45: Edit Property Description Window

6.7.1.4 Deleting a Property Photo

To delete a property photo:

Step 1. Click the **cross icon** below the Description field under the **Property Photo** section.

Step 2. A pop-up window is displayed requesting the user to confirm the action. Click **OK** on the pop-up window; the photo and description will be deleted. To exit the pop-up window without deleting the photo click **Cancel.**

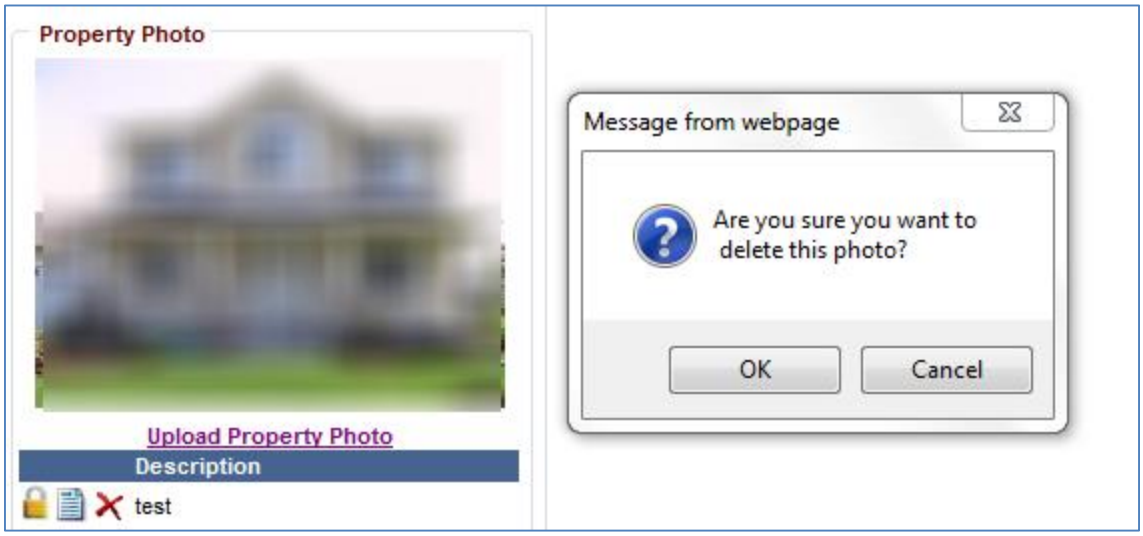


Figure 6-46: Delete Property Photo Window

6.7.2 Property Values

This screen displays the property values received from CHUMS at the time of loan setup (indicated by value type of Original Value). In addition, the screen allows authorized users to add new property values and edit or delete the property values that were previously added. The Property Values screen displays the following data sections:

- Header section - Loan/Borrower/Servicer/Balance Information
- New button
- Property Values

6.7.2.1 Viewing Property Values

The Property Values are displayed as individual rows for each value. Scroll the horizontal bar to view additional details on the property value.

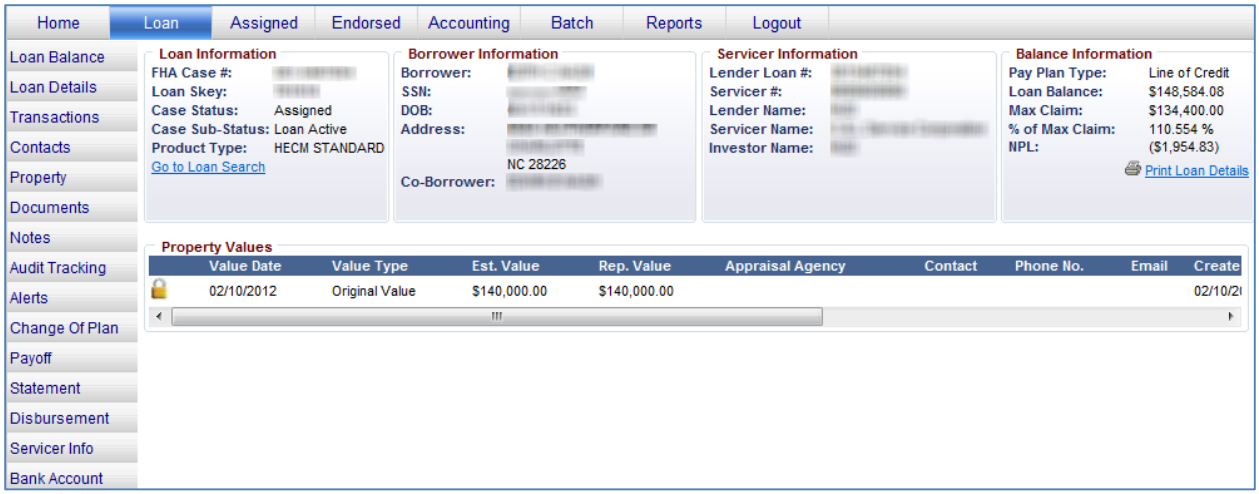


Figure 6-47: View Property Values Screen

6.7.2.2 Adding a New Property Value

To add a Property Value:

Step 1. Click **New** in the **Property Values** section.

Step 2. On the **Property Value** window, populate the fields (fields marked with red asterisk must be populated).

Step 3. Click **Submit** to save the changes. The new property value is displayed under the **Property Values** section. To exit the window without saving the changes click **Cancel.**

Figure 6-48: Adding a New Property Value Window

6.7.2.3 Editing a Property Value

To edit a Property Value:

Step 1. Click the **document icon** beside the value type in the **Property Values** section.

Step 2. On the **Property Value** window, edit the fields (fields marked with red asterisk must be populated).

Step 3. Click **Submit** to save the changes. The updated property value is displayed under the **Property Values** section. To exit the window without saving the changes click **Cancel.**

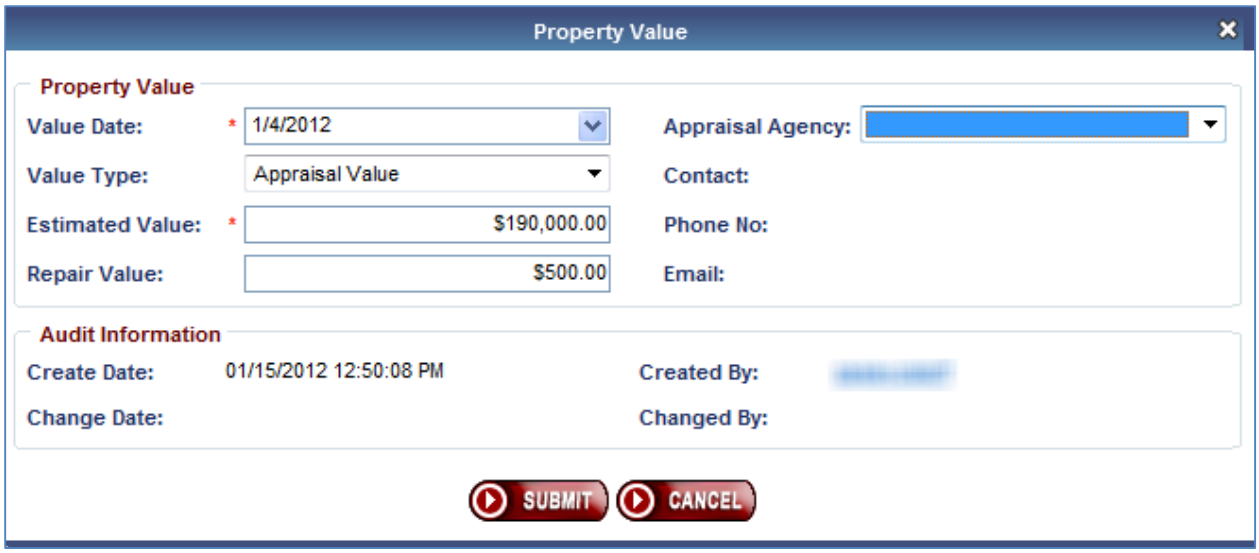


Figure 6-49: Edit Property Values Window

6.7.2.4 Deleting a Property Value

To delete a property value:

Step 1. Click the **cross icon** beside the value type in the **Property Values** section.

Step 2. A pop-up window is displayed requesting the user to confirm the action.

Step 3. Click **OK** on the pop-up window; the selected value will be deleted. To exit the pop-up window without deleting a value click **Cancel.**

The property value of Original Value Type cannot be deleted.

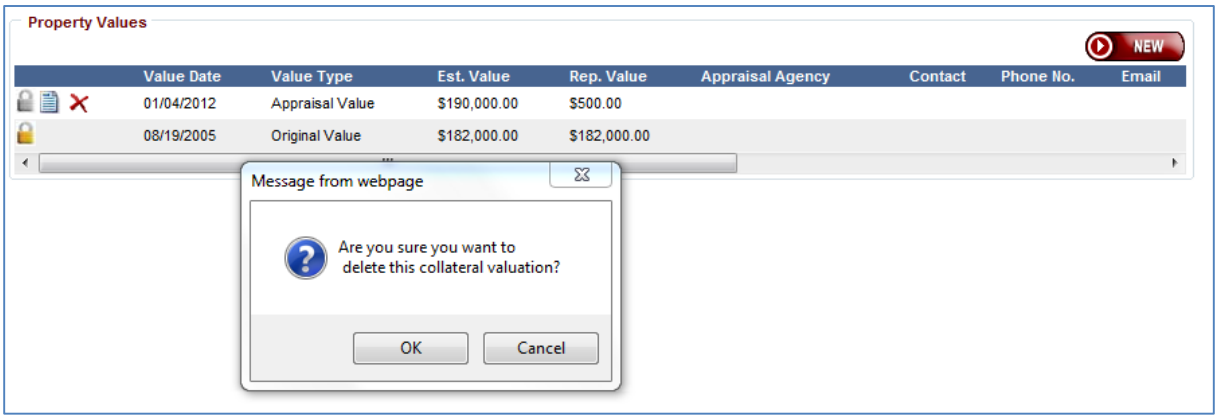


Figure 6-50: Delete Property Value Window

6.8 Documents

The Loan Documents screen is displayed when a user selects the Documents tab from the menu on the left side of the screen. This screen displays the letters, forms and documents associated with the loans. Authorized users can upload or delete documents. The Documents screen displays the following sections:

- Header section - Loan/Borrower/Servicer/Balance Information
- Upload button
- View documents

6.8.1 Viewing Loan Documents

To view a document:

Step 1. Click the **View** link beside the document.

Step 2. The document opens as a PDF.

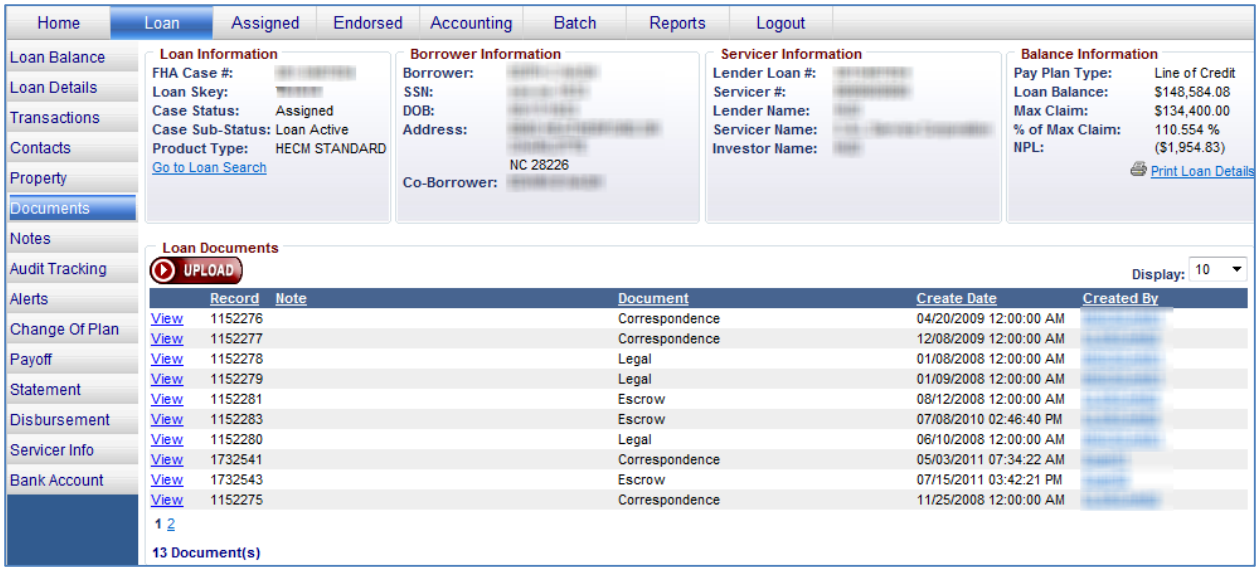


Figure 6-51: Loan Documents Screen

6.8.2 Uploading Loan Documents

To upload a document:

Step 1. Click **Upload** under the **Loan Documents** section.

Step 2. On the **Upload Document** window, select a document type to upload from the **Document Type** dropdown. Only PDF documents with maximum file size of 15 MB can be uploaded.

Step 3. Click **Browse** to select the location of the file (PDF).

Step 4. Enter a description of the document in the **Notes** field.

Step 5. Click **Upload** to save the document. An entry for this document is added to the **Loan Documents** section. To exit the window without uploading the document click **Cancel.**

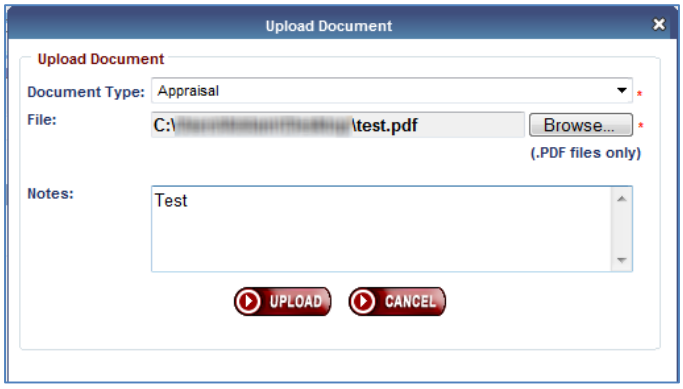


Figure 6-52: Upload Document Window

6.8.3 Deleting a Document

To delete a document:

Step 1. Click **cross icon** beside the document in the **Loan Documents** screen.

Step 2. A pop-up window is displayed requesting the user to confirm the action.

Step 3. Click **OK** on the pop-up window, the selected document will be deleted**.** To exit the message window without deleting the document click **Cancel.**

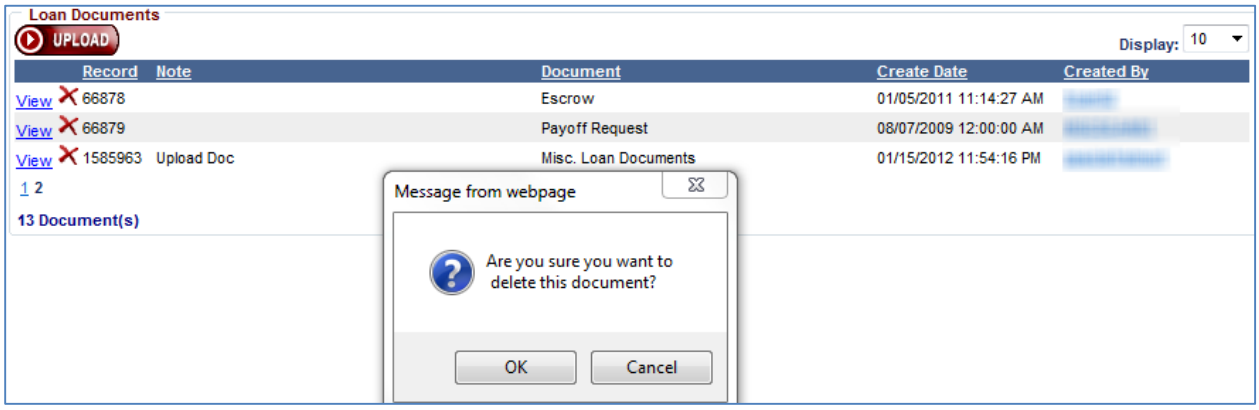


Figure 6-53: Delete Document

6.9 Notes

The Notes screen is displayed when a user selects the Notes tab from the menu on the left side of the screen. The notes screen displays notes added by the system (auto notes) and notes that are manually created by the users. Authorized users can add, edit or delete a note. The Notes screen displays the following sections:

- **Notes Filter Criteria** – Allows users to filter and view specific notes type.
- **New Notes** – Allows authorized users to add a note type.
- **Print Notes** – Allows authorized users to print notes.

6.9.1 Filtering Notes

The Notes Filter Criteria section of the Notes screen allows the user to apply filter and view selected notes type:

Step 1. Select the Note Type from the **Note Type** dropdown.

Step 2. Click **Filter** to view the filtered notes under the **Notes Results** section.

Step 3. Select **Clear** to clear the selected filers and view all notes.

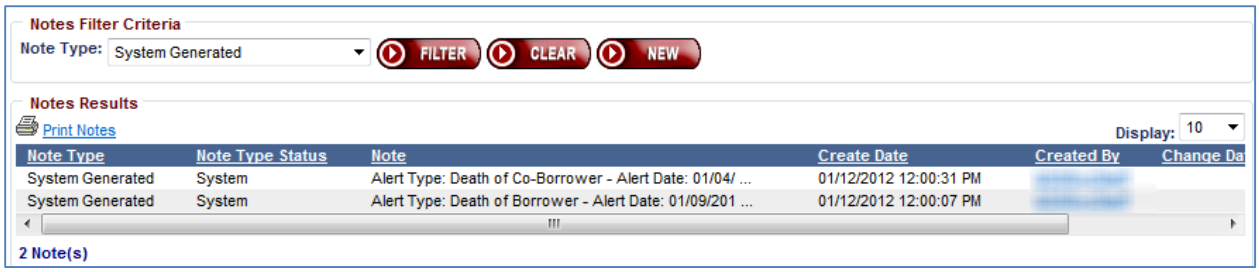


Figure 6-54: Filter Notes Window

6.9.2 Viewing a Note

To view a note:

Step 1. Click on the **Note** you want to view in the **Notes Filter Criteria** section.

Step 2. On the **Note Item,** click **Next** to view the next note on the loan**.**

Step 3. Click **Back** to view the previous note on the loan.

Step 4. Click **Cancel** to exit the window.

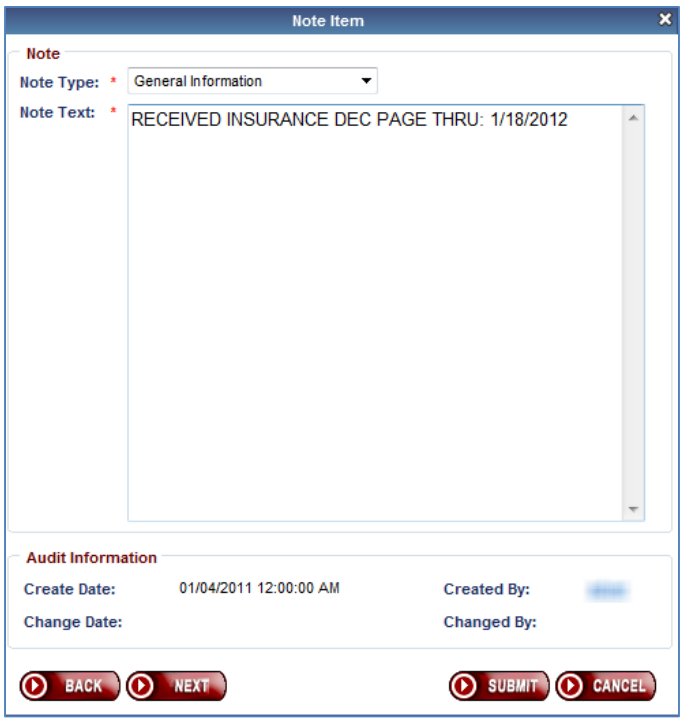


Figure 6-55: View Note Window

6.9.3 Adding a Note

To create a new note:

Step 1. Click **New** in the **Notes Filter Criteria** section.

Step 2. On the **Note Item** window, select a **Note Type** and enter a **Note Text.**

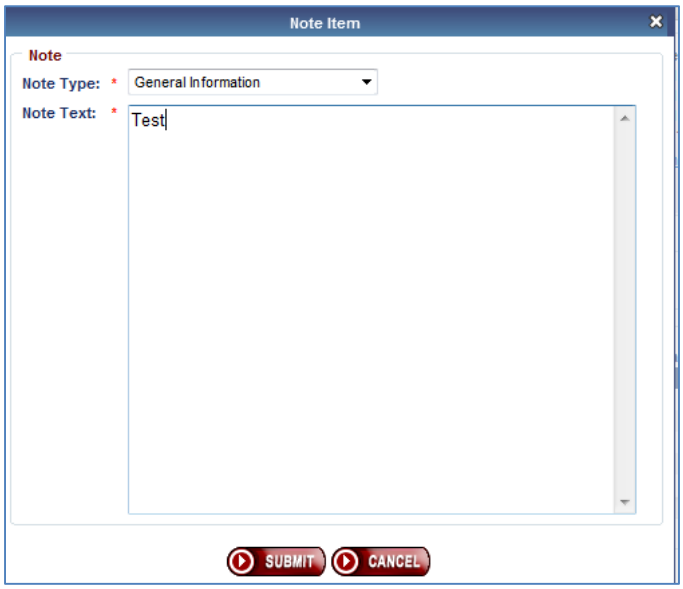


Figure 6-56: Create New Note Window

Step 3. Click **Submit.** The new note is reflected in the **Notes Results** section. To exit the screen without adding the note, click **Cancel**.

Figure 6-57: New Note Displayed on Notes Results Section

6.9.4 Editing a Note

To edit a note:

Step 1. Click the **Note** you want to edit (system-generated auto notes cannot be edited), in the **Notes Filter Criteria** section.

Step 2. On the **Note Item** window, edit the **Note Type** and **Note Text.**

Step 3. Click **Submit**. The updated note is reflected in the **Notes Results** section.

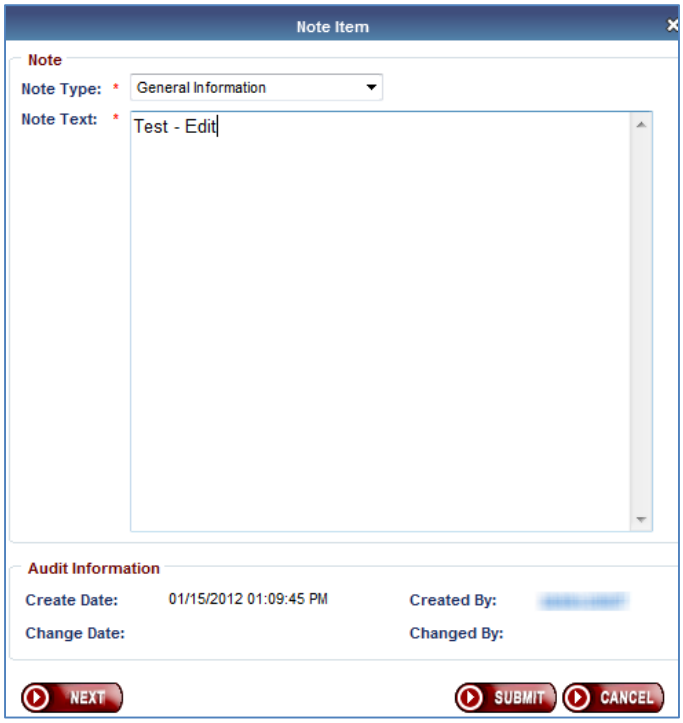


Figure 6-58: Edit Note Window

6.9.5 Deleting a Note

To delete a note:

Step 1. Click **cross icon** beside the note in the **Notes Filter Criteria** section. Authorized users other than managers can delete a note only on the same day as the day it was created. Manager roles can delete any note (except those that were system generated) created on any day.

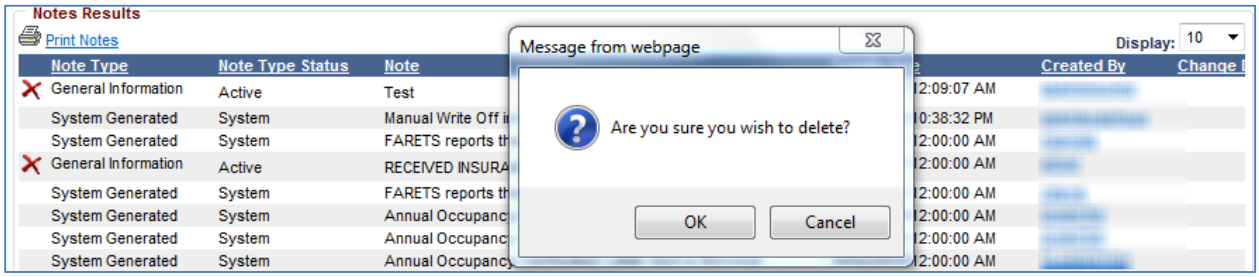


Figure 6-59: Delete Note Window

Step 2. A pop-up window is displayed requesting the user to confirm the action.

Step 3. Click **OK** on the pop-up window, the selected note will be deleted. To exit the message window without deleting the document click **Cancel.**

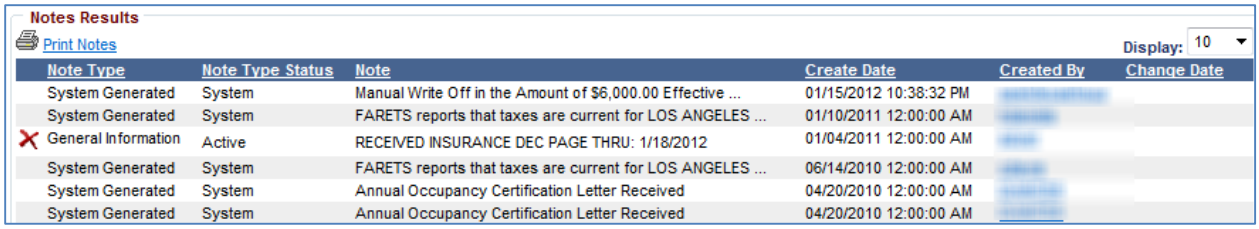


Figure 6-60: Deleted Note not Displayed on Notes Results Section

6.9.6 Printing Notes

To print the notes on a loan:

Step 1. Click **Print Notes** link in the **Notes Filter Criteria** section. The notes are opened in a PDF file for printing.

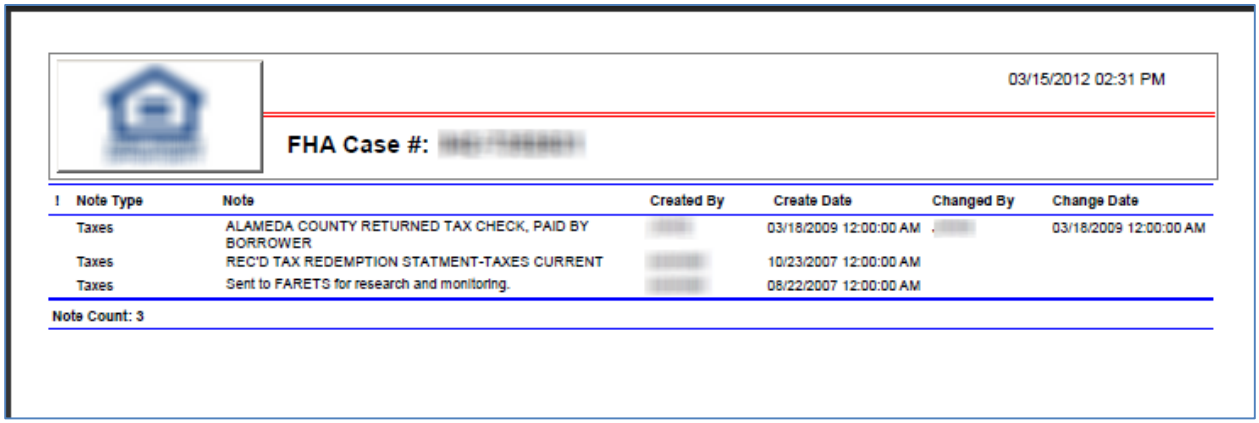


Figure 6-61: Print Notes

6.10 Audit Tracking

The Audit Filter Criteria screen is displayed when a user selects the Audit Tracking tab from the menu on the left side of the screen. The screen displays all audit data captured for the loan. Only authorized users can view the audit tracking information. Users can filter the audit data using the audit filter criteria.

6.10.1 Filtering Audit Information

The Audit Filter Criteria section of the Audit screen allows users to filter and view the audit information:

Step 1. Select the **Audit** field from the dropdown.

Step 2. Click **Filter** to view the filtered audit data under the **Audit Results** section.

Step 3. Click **Clear** to clear the selected filters and view all audit data.

The Audit Results section displays the following fields:

- **Audit Type:** The type of Audit on the loan.
- **Original Value:** The original value of the audit type.
- **New Value:** The new value of the audit type.
- **Change Date:** The date the audit type values were modified.

- **Changed By:** The name of the user role associated with the audit change.

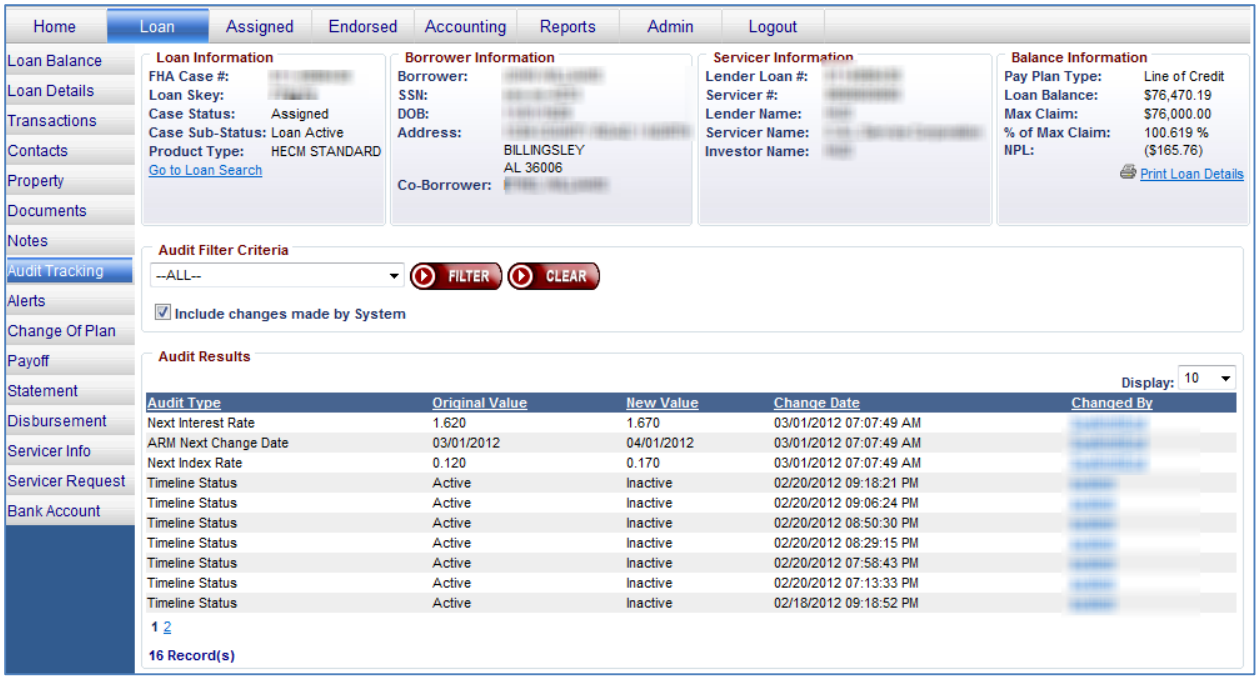


Figure 6-62: Audit Filter Window

6.11 Alerts

The Alerts screen is displayed when a user selects the Alerts tab from the menu on the left side of the screen. The Alerts screen shows all the active alerts added to the loan. The system automatically adds an alert when the alert condition is identified. In addition, the authorized users can manually add an alert to the loan. Authorized users can also create new alert types using the Alerts tab within Admin menu tab (See **Chapter 10)**.

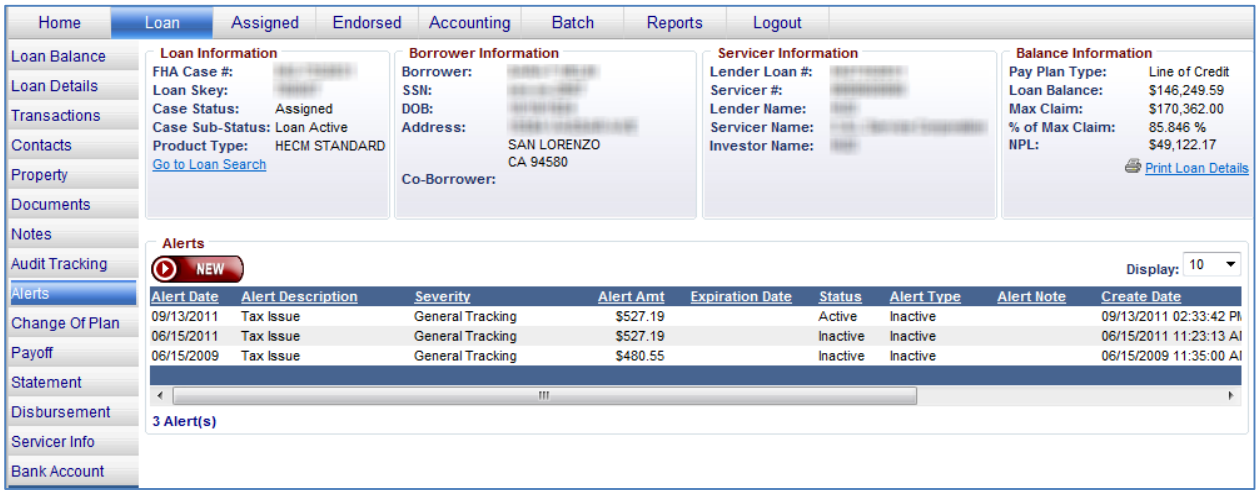


Figure 6-63: Alerts Screen

The Alerts section displays the following fields:

- **Alert Date:** The date the alert was generated
- **Alert Description:** The description associated with the alert type
- **Severity:** Severity of the alert, Critical or General Tracking
- **Alert Amt**: Any monetary amount associated with the alert
- **Expiration Date:** The date the alert expires. If the current system date is greater than the alert expiration date, the alert is no longer displayed in the critical alerts pop-up window.
- **Status:** Indicates the status of the alert (Active/Inactive)
- **Alert Type:** Indicates whether the alert is system generated or user generated
- **Alert Note:** A short note associated with the alert
- **Create Date:** The date the alert was created in the system
- **Created By:** The name of the user role who created the alert
- **Change Date:** The date the alert was modified/changed
- **Changed By:** The user that changed/modified the alert

6.11.1 Creating New Alerts

To create a new alert on a loan:

Step 1. Click **New** in the **Alerts** section.

Step 2. On the **New Alert** screen, select **Alert Type, Alert Date, Expiration Date, Alert Amount, and Status**. Enter an **Alert Note**.

Step 3. Click **Submit.** The new alert is displayed in the **Alerts** section. To exit without adding alert click **Cancel**.

Step 4. Once an alert is added, the alert cannot be deleted, but can be made inactive.

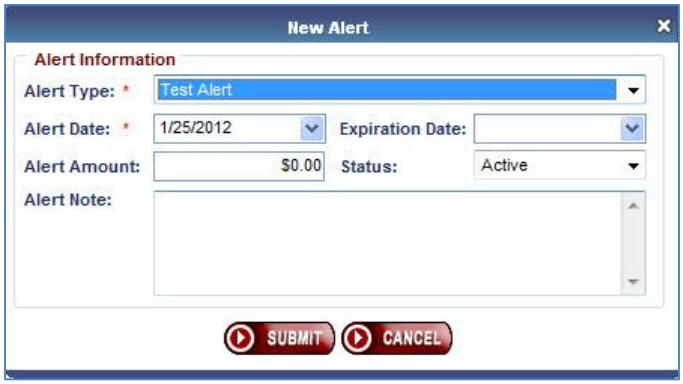


Figure 6-64: New Alert Window

6.11.2 Editing an Alert

To edit an alert on a loan:

Step 1. Click the **Alert** you want to edit (system-generated alerts cannot be edited), in the **Alerts** section.

Step 2. On the **Edit Alert** window, edit the **Alert Date**, **Expiration Date**, **Alert Amount**, **Status** and **Alert Note**.

Step 3. Click **Submit.** The updated alert is reflected in the **Alerts** section. To exit without updating alert click **Cancel**.

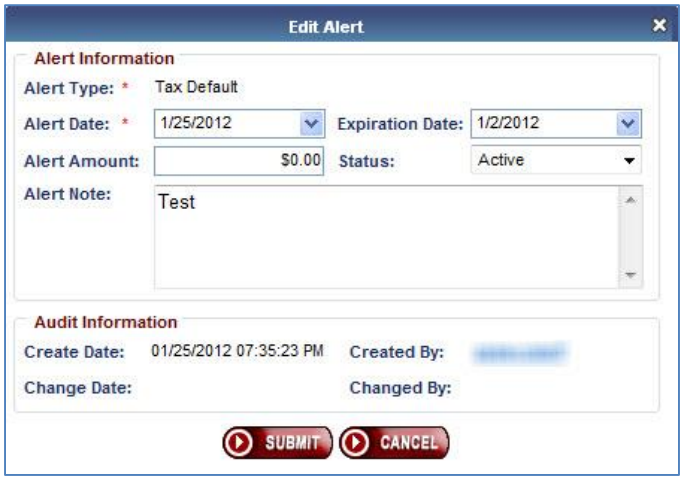


Figure 6-65: Edit Alert Window

6.12 Change of Plan

The Change of Plan screen is displayed when a user selects the Change of Plan tab from the menu on the left side of the screen. The Change of Plan screen shows the current payment plan and any prior payment plans associated with the loan. Only authorized user roles from HUD NSC Contractor can approve the Change of Plan to be effective.

The following conditions must be satisfied to initiate a change of plan:

- Authorized users can perform Change of Plan.
- The loan must have a case status of Assigned and a sub-status of Loan Active.
- An effective date for a payment plan change must be after the last transaction and must be within the month in which the change takes effect.
- There is no option to edit the Change of Plan on a loan with pay plan type of Lump Sum.
- Authorized users cannot change from an existing pay plan type(Line of Credit, Tenure, Term, Modified tenure or Modified term) to Lump Sum.

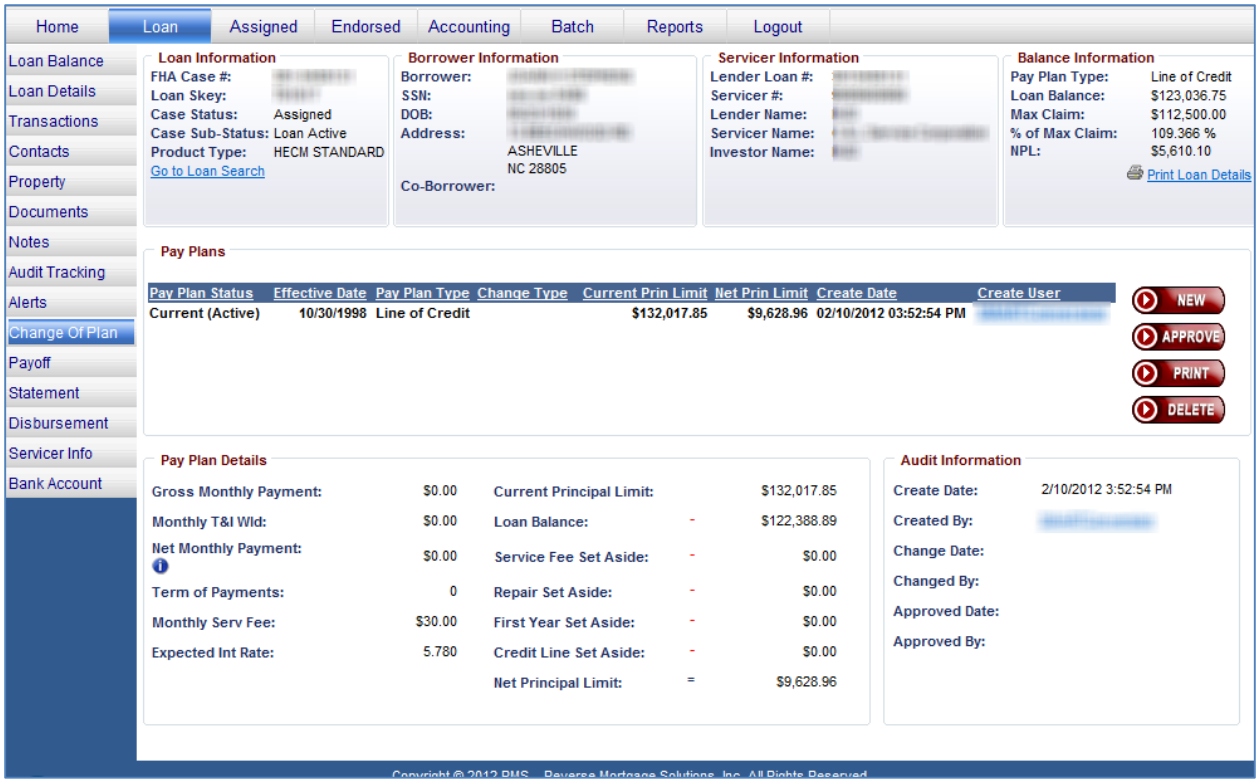


Figure 6-66: Change of Plan Screen

The Servicing Module currently allows the following five payment plans for HECM loans:

Payment Plan	Description
Line of credit	A borrower can make withdrawals up to a maximum amount, at times, and in amounts, of the borrower's choosing.
Tenure	A borrower receives monthly payments from the lender for as long as the borrower lives and continues to occupy the home as a principal residence.
Term	A borrower receives monthly payments for a fixed period selected by the borrower.
Modified tenure	The tenure option is combined with a line of credit.
Modified term	The term option is combined with a line of credit.

Table 6-8: Payment Plan Types

6.12.1 Viewing a Payment Plan

To view a payment plan:

Step 1. Select the record to display the **Pay Plan Details** section and **Audit Information** sections. The Pay Plan Details section displays the following details of the payment plan selected in Pay Plans section:

- **Gross Monthly Payment:** The monthly payment made to a borrower
- **Monthly T&I Wld:** The monthly taxes and insurance amount withheld
- **Net Monthly Payment:** The gross monthly payment – Monthly T & I withheld
- **Term of Payments:** The number of payment months

- **Monthly Serv Fee:** The monthly service fee charged by the servicer

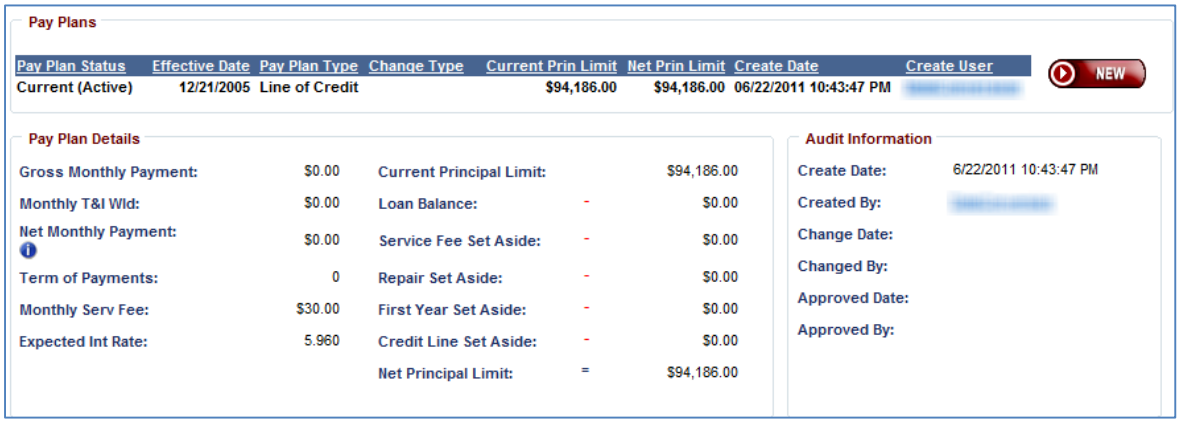


Figure 6-67: View Payment Plan Screen

6.12.2 Creating a New Payment Plan

To create a new payment plan:

Step 1. Click **New** in the **Pay Plans** section.

Step 2. On the **New Payment Plan** window, enter the effective date and change type (selectable values of Forced or Voluntary).

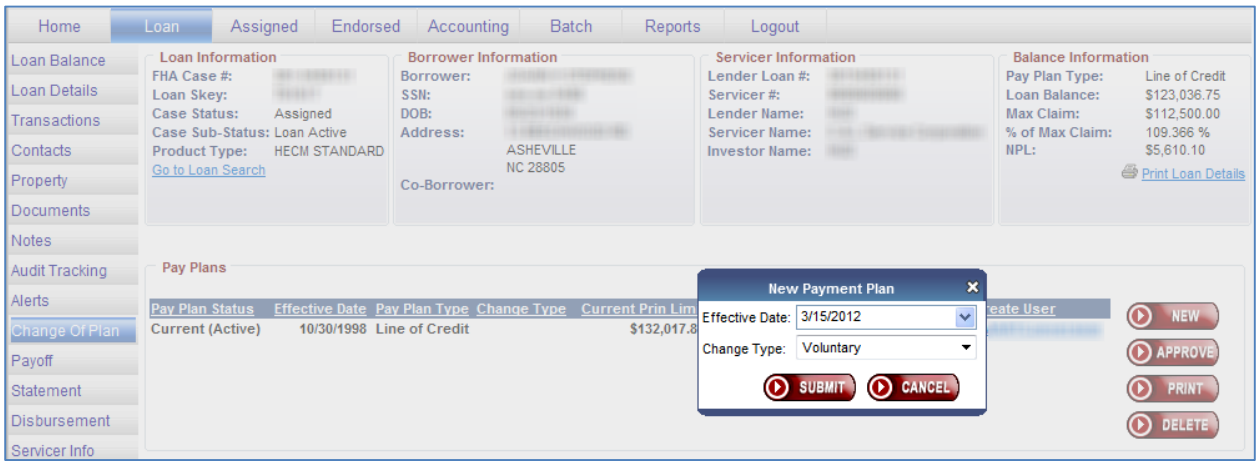


Figure 6-68: New Payment Plan Window

Step 3. Click **Submit** to save the changes**.** The **Payment Option Worksheet** is displayed.

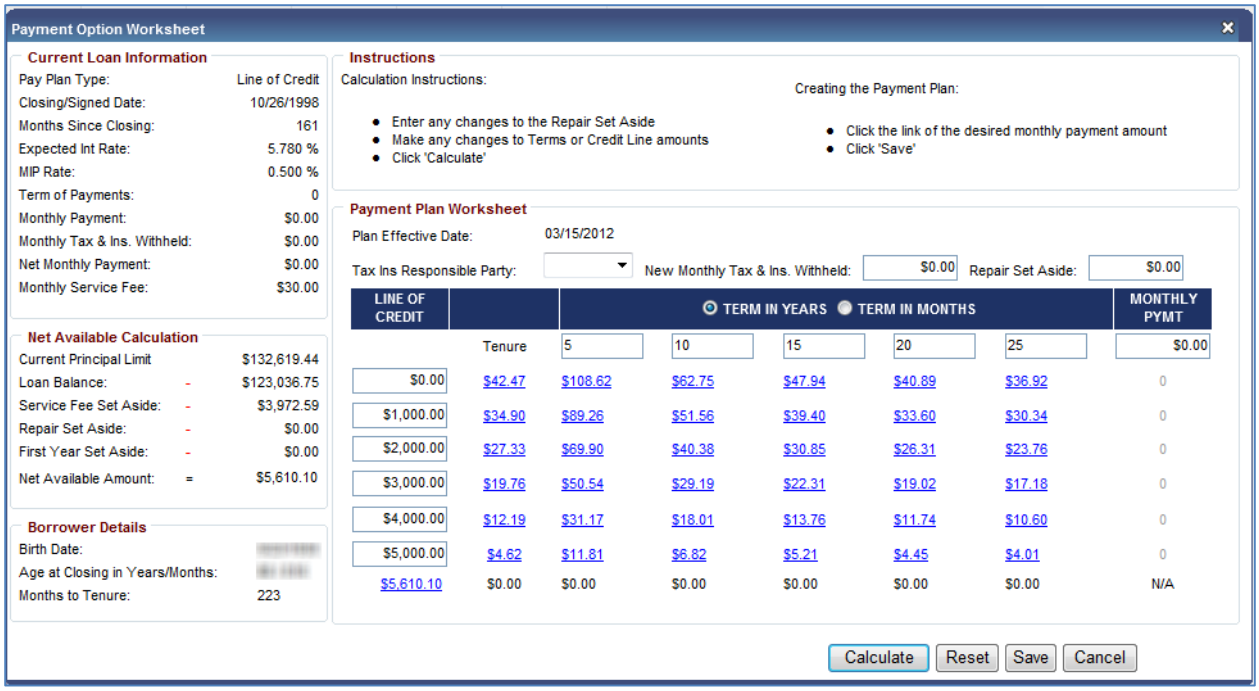


Figure 6-69: Change of Plan Worksheet

Step 4. Select the new payment plan. Instructions are provided within the worksheet (at the header), enter the values as needed and click **Calculate** to view the updated amounts.

Step 5. Click **Save** to save the changes.

Step 6. The pay plan status of the new payment plan will be in Pending Approval.

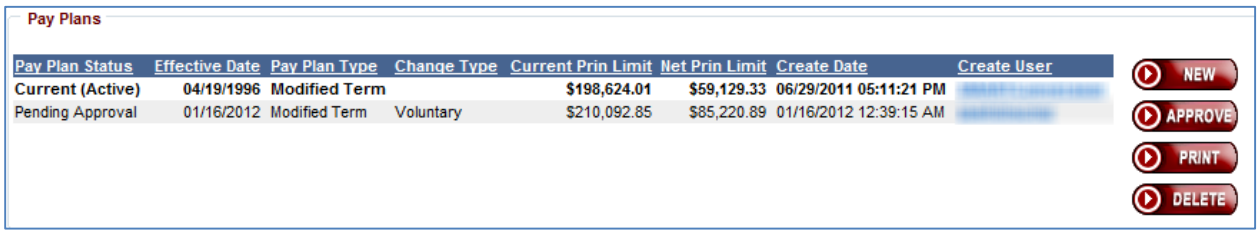


Figure 6-70: New Change of Plan Displayed on Pay Plans Section

6.12.3 Approving a Pending Payment Plan

After a payment plan is initiated and is in Pending Approval status, the payment plan can be approved.

To approve a pending payment plan:

Step 1. Select the payment plan with a status of **Pending Approval** under the **Pay Plans** section.

Step 2. Click **Approve.**

Step 3. A pop-up window is displayed requesting the user to confirm the action. The user must enter the Change of Plan fee, and Click **OK.**

Figure 6-71: Confirm Approval on Change of Plan

Step 4. The pay plan status of the new payment plan will be Current (Active) and the previous payment plan will be updated to the Previous.

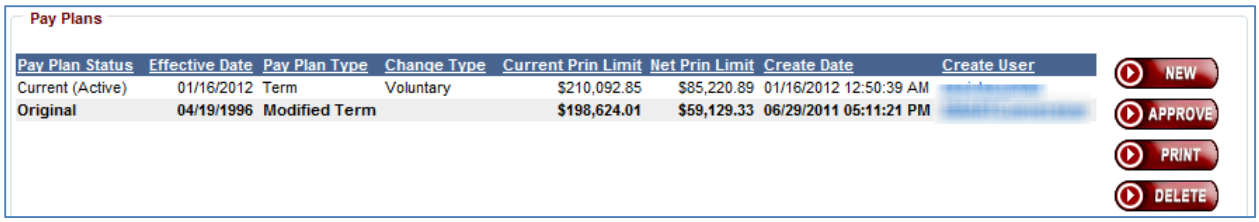


Figure 6-72: Change of Plan Status Updated

6.12.4 Printing a Pending Change of Plan

After a payment plan is initiated and is in Pending Approval status, the payment plan can be printed.

To print a pending payment plan:

Step 1. Select the payment plan with a status of **Pending Approval** under the **Pay Plans** section.

Step 2. Click **Print**.

Step 3. Enter the subject and salutation on the **Print Change of Payment Plan** window.

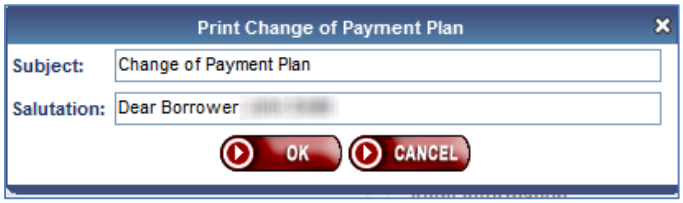


Figure 6-73: Print Pending Change of Plan Window

Step 4. Click **OK** on the window**.** The change of plan letter is displayed in PDF version.

6.12.5 Deleting a Pending Change of Plan

After a payment plan is initiated and is in Pending Approval status, the payment plan can be deleted.

To delete a pending payment plan:

Step 1. Select the payment plan with a status of **Pending Approval** under the **Pay Plans** section.

Step 2. Click **Delete**.

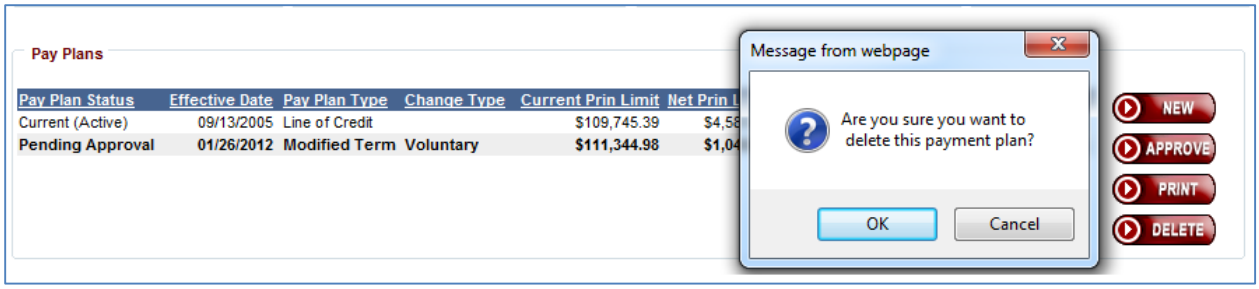


Figure 6-74: Delete Pending Change of Plan

Step 3. A pop-up window is displayed requesting the user to confirm the action.

Step 4. Click **OK** on the pop-up window, the selected payment plan will be deleted**.** To exit the message window without deleting the document click **Cancel.**

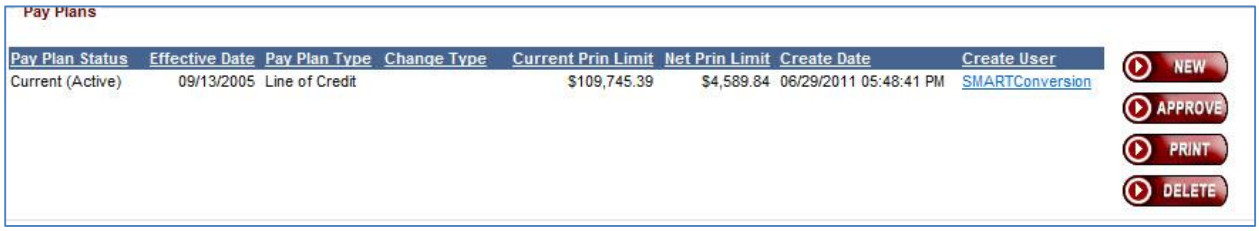


Figure 6-75: Delete Pending Change of Plan Confirmation

6.13 Payoff

The Payoff Info screen is displayed when a user selects the Payoff tab from the menu on the left side of the screen. The screen displays the payoff amount as of the selected payoff date. Only authorized users can access the Payoff Info screen. The system also allows authorized users to do the following functions:

- Preview Payoff Statement
- Print Payoff Statement

6.13.1 Viewing a Payoff Statement

To view a borrower's loan payoff statement:

Step 1. Select the Payoff date and then Click **Preview Payoff Statement** link on the **Payoff Info** screen.

Step 2. The **Payoff Statement** is displayed in a new window.

Figure 6-76: Payoff Info Screen

6.13.2 Printing a Payoff Statement

To print a borrower's loan payoff statement:

Step 1. Click the **Print Payoff Statement** link on the **Payoff Info** screen.

Step 2. The Payoff Statement for this loan is displayed and is automatically saved on the **Documents** tab.

Step 3. Click the **Print** option on the PDF file to print the statement.

6.14 Statement

The Monthly Statement screen is displayed when an authorized user selects the Statement tab from the menu on the left side of the screen. The screen displays the monthly statement amount details as of the selected reporting period. Only authorized users have access to the Statement screen. This screen also allows printing the Monthly Statement for a selected month.

6.14.1 Viewing and Printing a Monthly Statement

To view and print a monthly statement:

Step 1. From the Reporting Period dropdown box, select the month for which the statement needs to be viewed or printed.

Step 2. Click **Print Monthly Statement.**

Step 3. The monthly statement is displayed in a PDF file.

Figure 6-77: View Monthly Statement Screen

6.14.2 Editing the Monthly Statement Message

To edit the monthly statement message:

Step 1. Click **Statement.**

Step 2. Click **Edit** Message.

Step 3. In the **Custom Message** section, enter the message.

Step 4. Select the check box for **Repeat this message on future statement** if required.

Step 5. Click **OK** to save the message.

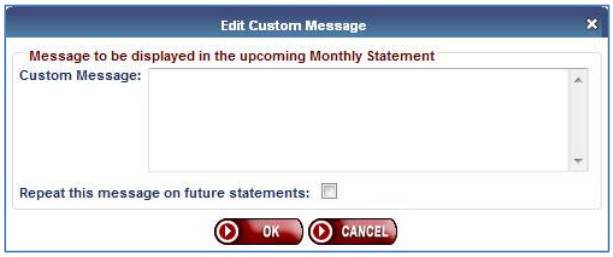


Figure 6-78: Edit Monthly Statement Message Window

6.15 Disbursement

The Disbursement screen is displayed when an authorized user selects the Disbursement tab from the menu on the left side of the screen. Only authorized users (Example: HUD NSC Contractor) have access to the tab. This screen displays all the disbursement transactions associated with the loan. This screen allows the user to add new disbursements transactions. The following Disbursement Transaction Categories are available:

- Corp Advance – Penalty
- Disb- Unscheduled from LOC
- Disb- Scheduled
- Loss Draft
- Disb – Repair Set Aside
- Refunds
- Disb- Life Expectancy Set Aside

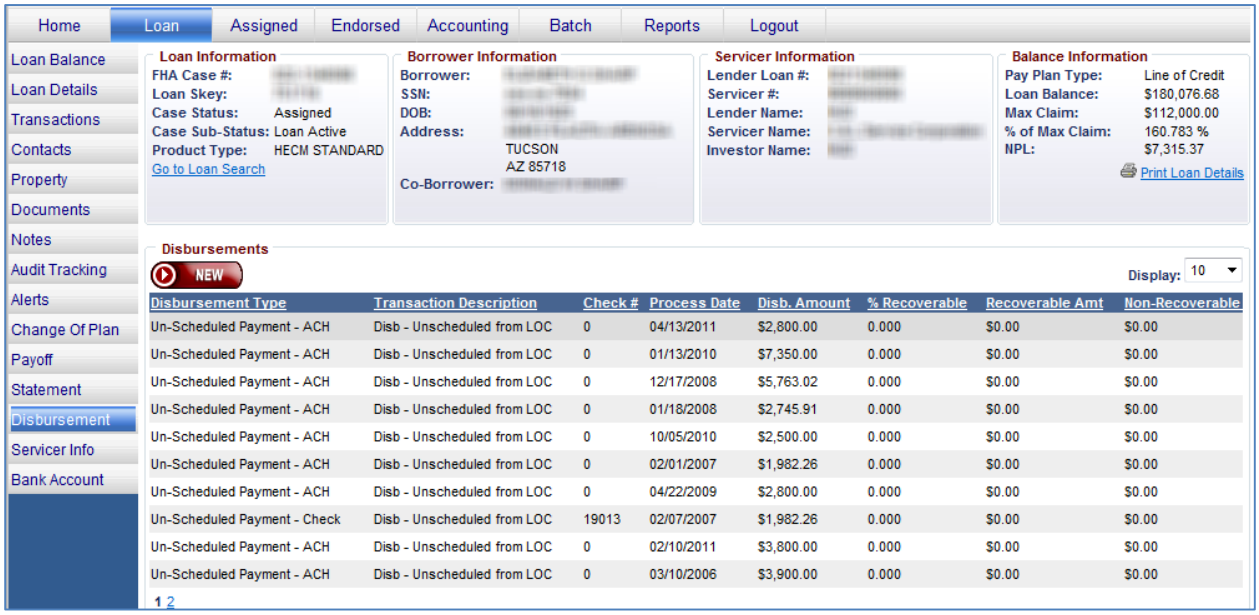


Figure 6-79: Disbursements Screen

6.15.1 Performing a Corp Advance - Penalty

This transaction is initiated by the HUD NSC Contractor to pay penalty to the borrower in case of payments missed to the borrower. HUD NSC Contractor makes this payment to the borrower.

To perform a Corp Advance Penalty:

Step 1. Click New on the Disbursements screen.

Step 2. On the New Disbursement window, select Corp Advance - Penalty from Transactions Category dropdown.

Step 3. Populate the below listed required fields (marked with red asterisk):
- Transaction Desc
- Payee Type – select Borrower from the dropdown
- Paye

Figure 6-80: Corp Advance Penalty - New Disbursement Window

Step 4. Click Submit. The New Disbursement window is refreshed with additional fields.

Step 5. Enter the information in the below listed fields
- Payee Information
- Disbursement Amount

Step 6. Update the Process Date if required.

Step 7. Click Submit to save the changes. This disbursement is displayed in the Disbursement screen.

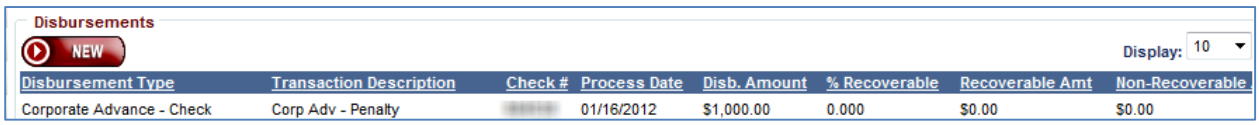


Figure 6-81: Confirmation of New Disbursement Screen

Step 8. If the payment method type is Check, the supervisor role must print the Check for the disbursement transaction to be sent for Accounting. If the payment method is ACH, then the supervisor role must generate and upload the ACH file for the transaction. Refer to the Accounting **Section 6.19** Disbursements tab for more details.

6.15.2 Performing an Unscheduled from LOC Disbursement

To perform a Disb- Unscheduled from LOC:

Step 1. Click **New** on the **Disbursements** screen.

Step 2. On the **New Disbursement** window, select Disb- Unscheduled from LOC from **Transactions Category** dropdown.

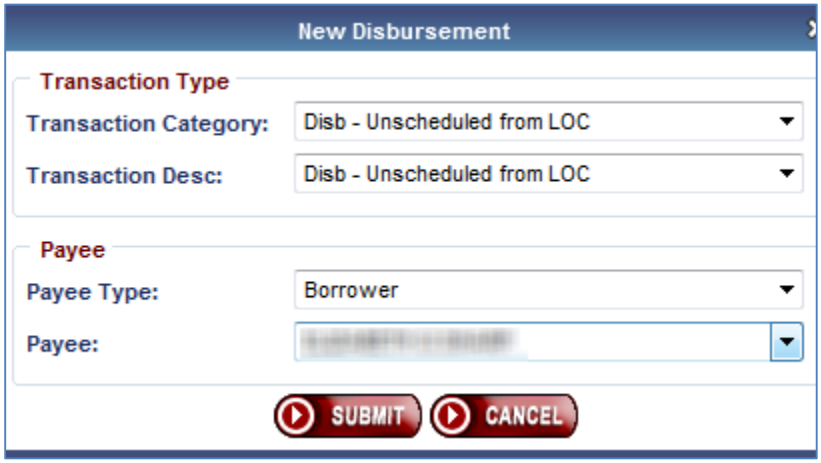


Figure 6-82: Unscheduled from LOC - New Disbursement Window

Step 3. Populate the below listed required fields (marked with red asterisk):
- Transaction Desc
- Payee Type
- Payee – pre-filled only if payee type is Borrower

Step 4. Click **Submit**. The **New Disbursement** window is refreshed with additional fields.

Step 5. Enter the information in the below listed fields
- Payee Information
- Disbursement Amount

Step 6. Update the **Process Date** if required.

Step 7. Click **Submit** to save the changes. This disbursement is displayed in the **Disbursement** screen.

Step 8. If the payment method is check, the supervisor role must print the check for the disbursement transaction to be sent for Accounting. If the payment method is ACH, then the supervisor role must generate and upload the ACH file for the transaction. Refer to the Accounting **Section 6.19** Disbursements tab for more details.

The table below lists all the allowable disbursement transactions that can be manually created within the Unscheduled from LOC category:

Transaction	Description
Disb - LOC - Property Charge - Assessment	Initiated by HUD NSC Contractor to make an unscheduled disbursement from borrower's available Line Of Credit to Vendor for special assessment liens on the mortgaged property. This transaction applies to Line of Credit, Modified Term and Modified Tenure pay plans only.
Disb - LOC - Property Charge - Flood Ins	Initiated by HUD NSC Contractor to make an unscheduled disbursement from borrower's available Line Of Credit to Vendor for flood insurance

Transaction	Description
	premiums on the mortgaged property. This transaction applies to line of credit, modified term and modified tenure pay plans only.
Disb - LOC - Property Charge - Ground Rent	Initiated by HUD NSC Contractor to make an unscheduled disbursement from borrower's available Line Of Credit to Vendor for ground rent expenses on the mortgaged property. This transaction applies to line of credit, modified term and modified tenure pay plans only.
Disb - LOC - Property Charge - Attorney Fee	Initiated by HUD NSC Contractor to make an unscheduled disbursement from borrower's available Line Of Credit to Attorney for attorney fee on the mortgaged property. This transaction applies to line of credit, modified term and modified tenure pay plans only.
Disb - LOC - Property Charge - Condo Dues	Initiated by HUD NSC Contractor to make an unscheduled disbursement from borrower's available Line Of Credit to Vendor for condominium fees on the mortgaged property. This transaction applies to line of credit, modified term and modified tenure pay plans only.
Disb - LOC - Property Charge - HOA Dues	Initiated by HUD NSC Contractor to make an unscheduled disbursement from borrower's available Line Of Credit to Vendor for HOA fees on the mortgaged property. This transaction applies to line of credit, modified term and modified tenure pay plans only.
Disb - Unscheduled from LOC – Other	Initiated by HUD NSC Contractor to make an unscheduled disbursement from borrower's available Line Of Credit. This transaction applies to line of credit, modified term and modified tenure pay plans only.
Disb - Unscheduled from LOC Appraisals	Initiated by HUD NSC Contractor to make an unscheduled disbursement from borrower's available Line Of Credit for appraisals on the mortgaged property. This transaction applies to line of credit, modified term and modified tenure pay plans only.
Disb - Unscheduled from LOC Inspections	Initiated by HUD NSC Contractor to make an unscheduled disbursement from borrower's available Line Of Credit for property inspections on the mortgaged property. This transaction applies to line of credit, modified term and modified tenure pay plans only.
Disb - Unscheduled from LOC Insurance	Initiated by HUD NSC Contractor to make an unscheduled disbursement from Line Of Credit to pay for the insurance of the mortgaged property on behalf of borrower. This transaction applies to line of credit, modified term and modified tenure pay plans only.
Disb - Unscheduled from LOC Prop Preserv	Initiated by HUD NSC Contractor to make an unscheduled disbursement from line of credit for preservation and protection of the mortgaged property. Preservation and protection activities may include repairs, landscaping etc. This transaction applies to pay plan types line of credit, modified term and modified tenure only.
Disb - Unscheduled from LOC Taxes	This transaction is initiated by HUD NSC Contractor to make an unscheduled disbursement from line of credit to pay for taxes of the mortgaged property on behalf of borrower. This transaction applies to pay plan types line of credit, modified term and modified tenure only.

Table 6-9: Unscheduled LOC Disbursements

6.15.3 Performing Loss Draft Disbursements

HUD issues hazard insurance proceeds from the loss draft set-aside for the payment of the repair or restoration of a damaged property. The set-aside funds are typically disbursed in one-third increments as the repair work progresses. The Loss Draft Disbursements cannot be made without the Loss Draft Set Aside- Setup transaction. Refer to Transactions section 6.5 Set Aside screen for more details.

To perform a Loss Draft Disbursement:

Step 1. Click **New** on the **Disbursements** screen.

Step 2. On the **New Disbursement** window, select Loss Draft from **Transactions Category** dropdown.

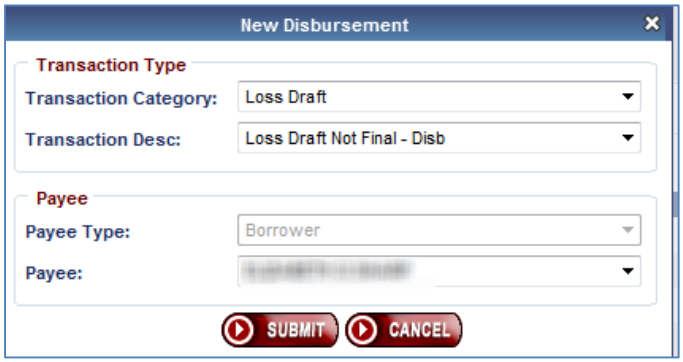


Figure 6-83: Loss Draft - New Disbursement Window

Step 3. Populate the below listed required fields (marked with red asterisk):
- Transaction Desc
- Payee Type – prefilled with Borrower
- Payee – pre-filled with Borrower name

Step 4. Click **Submit**. The **New Disbursement** window is refreshed with additional fields.

Step 5. Enter the information in the below listed fields:
- Payee Information
- Disbursement Amount

Step 6. Update the **Process Date** if required.

Step 7. Click **Submit** to save the changes. This disbursement is displayed in the **Disbursement** screen.

Step 8. If the payment method is check, the supervisor role must print the check for the disbursement transaction to be sent for Accounting. If the payment method is ACH, then the supervisor role must generate and upload the ACH file for the transaction. Refer to **Section 6.19** for more details.

The table below lists all the allowable disbursement transactions that can be manually created within the Loss Draft Disbursements category.

Transaction	Description
Loss Draft Not Final – Disb	Initiated in the Servicing Module to make a disbursement from borrower's available Loss Draft amount. HUD NSC Contractor will be able to make a disbursement until all the amount has been exhausted (or) until there is no Loss Draft Final - Disb transaction.
Loss Draft Final - Disb	Initiated in the Servicing Module to make a disbursement from borrower's available Loss Draft amount. This will be a one-time transaction and HUD NSC contractor will not be able to make a Loss Draft Not Final - Disb once a final transaction has been made.
Loss Draft Inspection - Disb	Initiated in the Servicing Module for inspection of loss draft.

Table 6-10: Loss Draft Disbursements

6.15.4 Performing a Repair Set Aside Disbursement

The HUD NSC Contractor will initiate this disbursement from borrower's available repair set aside amount. The Repair Set Aside transaction will be used for loans converted from HUD's legacy system (SMART) with repair set aside amount greater than zero dollars. For the loans where repairs are initiated in the Servicing Module, Loss Draft Set Aside transaction will be used. The Repair Set Aside Disbursements cannot be made without the Repair Set Aside - Setup transaction. Refer to Transactions section 6.5 Set Aside screen for more details.

To perform a repairs Repair Set Aside Disbursement:

Step 1. Click **New** on the **Disbursements** screen.

Step 2. On the **New Disbursement** window, select Disb - Repair Set Aside from **Transactions Category** dropdown.

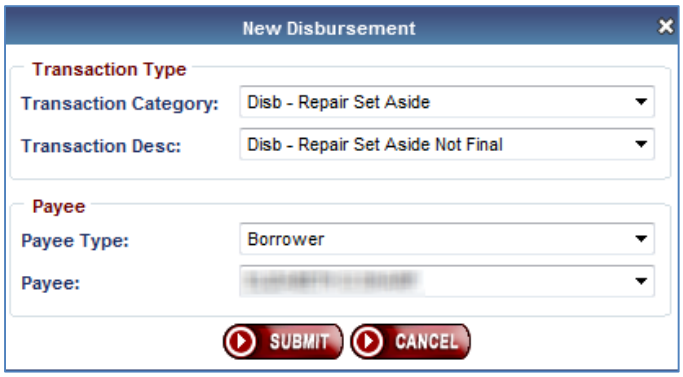


Figure 6-84: Repair Set Aside - New Disbursement Window

Step 3. Populate the below listed required fields (marked with red asterisk):
- Transaction Desc
- Payee Type
- Payee – pre-filled only if payee type is Borrower

Step 4. Click **Submit**. The **New Disbursement** window is refreshed with additional fields.

Step 5. Enter the information in the below listed fields:

- Payee Information
- Disbursement Amount

Step 6. Update the **Process Date** if required.

Step 7. Click **Submit** to save the changes. This disbursement is displayed in the **Disbursement** screen.

Step 8. If the payment method is check, the supervisor role must print the check for the disbursement transaction to be sent for Accounting. If the payment method is ACH, then the supervisor role must generate and upload the ACH file for the transaction. Refer to the Accounting **Section 6.19** Disbursements tab for more details.

The table below lists all the allowable disbursement transactions that can be manually created within the Repair Set Aside Disbursements category.

Transaction	Description
Disb - Repair Set Aside Not Final	Initiated by the servicer to make a disbursement from borrower's set aside amount for any repairs on the mortgaged property. Servicer will be able to make these disbursements until all Repairs set aside Not Final amount has exhausted (or) there is no Disb - Repair Set Aside Final transaction. This transaction applies to ALL pay plan types.
Disb - Repair Set Aside Final	Initiated by the servicer to make a disbursement from borrower's repair set aside amount for any repairs on the mortgaged property. This will be a one-time transaction and the servicer will not be able to make any Disb - Repair Set Aside Not Final transaction once a final transaction has been made. This transaction applies to ALL pay plan types.

Table 6-11: Repair Set Aside Disbursements

6.15.5 Monthly Accruals

For Assigned loans with payment plan type of Term or Tenure, the system will automatically generates scheduled disbursement transactions (Disb – Scheduled) to track month accruals.

6.15.6 Performing a Refund Remittance Overage Disbursement

Remittance Overage disbursement can be performed when a loan is terminated and has an overage amount that can be refunded to the borrower.

To perform a Refund Remittance Overage Disbursement:

Step 1. Click **New** on the **Disbursements** screen.

Step 2. On the **New Disbursement** window, select Disb – Refund Overage Disbursement from **Transactions Category** dropdown.

Figure 6-85: Refund Remittance Overage – New Disbursement

Step 3. Populate the below listed required fields (marked with red asterisk):
- Transaction Desc
- Payee Type

Step 4. Click **Submit.** The **New Disbursement** window is refreshed with additional fields.

Step 5. Enter the information in the below listed fields:
- Payee Information
- Disbursement Amount

Step 6. Update the **Process Date** if required.

Step 7. Click **Submit** to save the changes. This disbursement is displayed in the **Disbursement** screen.

Step 8. If the payment method is check, the authorized user must print the check for the disbursement transaction to be sent for Accounting. If the payment method is ACH, the authorized user must generate and upload the ACH file for the transaction. Refer to the Accounting **Section 6.19** Disbursements tab for more details.

6.15.7 Notes Disbursements

This section explains the notes disbursements processing in HERMIT (Servicing and Accounting Modules) system.

1. The Servicing Module will notify the Accounting Module of notes disbursements via a daily interface file containing notes activity (payment made via the Zero Balance Account - ZBA).
2. The Servicing Module assigns a batch ID and batch status for the notes payable requests to track the notes disbursement status. Once the file is generated and sent to the Accounting Module, the batch status (Sent to GL) is updated to indicate that the transaction has been sent to the Accounting Module.
3. The Accounting Module processes the file, records the notes payable transactions and sends a response file to the Servicing Module. The Servicing Module processes the response file from the Accounting Module and updates the batch status (Success).
4. The ZBA bank receives daily presented check debits via the Federal Reserve System. These items are held in a pending status until HUD takes necessary measure to replenish the ZBA account on the same business day.
5. The HUD NSC staff downloads a presented checks report. This report is used to facilitate the preparation of the disbursement transmittal to replenish the ZBA account. The presented check report is the backup for the transmittal. The disbursement transmittal is approved, scanned, and emailed to the CMB.
6. The CMB receives the disbursement transmittal and manually enters summary vouchers into the FHA Subsidiary Ledger's FHA02 cash ledger.
7. CMB runs and prints the FHA02 Budget Check Notification report. The report is used to validate that the budget is available in the funds being charged for the amount of requested disbursements.
8. The Budget Check Notification report is attached to the transmittal by CMB.
9. If all transmittal and budget check processes reconcile, then the replenishment schedule is manually entered to the Treasury Secure Payment System (SPS) terminal.

10. A CMB certifying officer reviews and certifies payment schedules in SPS. Once certified, schedules are transmitted to the RFC for disbursement.
11. Treasury processes the certified disbursements via electronic funds transfer (EFT) to the ZBA bank. Upon receipt and deposit of ZBA checks or inbound wire transfers, the bank accounts are credited with the deposited funds.
12. Once disbursements are processed, Treasury updates RFC Link with settled schedule details. RFC Link data is downloaded to FHASL in order to record confirmed schedules.

6.15.8 Performing a Life Expectancy Set Aside Disbursement

The HUD NSC Contractor will initiate this disbursement from borrower's available Life Expectancy set aside(LESA) amount. The Life Expectancy Set Aside transaction will be used for loans received from CHUMS with Life Expectancy Set Aside (LESA) amount is greater than zero dollars. The Life Expectancy Set Aside Disbursements cannot be made without the Life Expectancy Set Aside - Setup transaction. Refer to Transactions section 6.5 Set Aside screen for more details.

To perform a Life Expectancy Set Aside(LESA) Disbursement:

Step 1. Click **New** on the **Disbursements** screen.

Step 2. On the New Disbursement window, select Disb – Life Set Aside from Category dropdown.

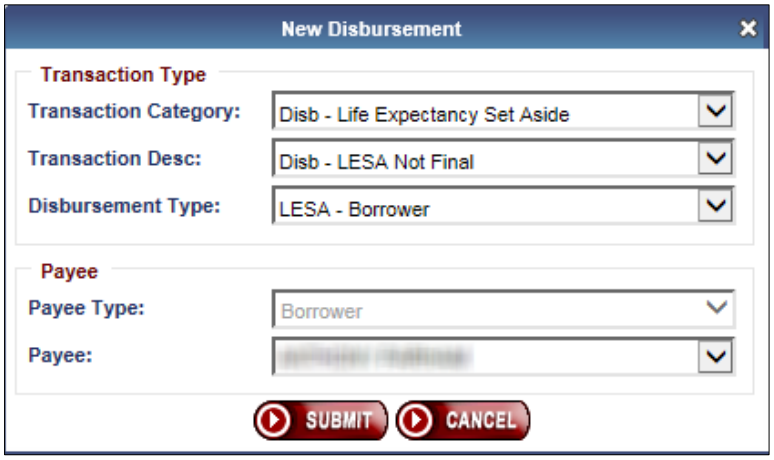


Figure 6-83: Life Expectancy Set Aside - New Disbursement Window

Step 3. Populate the below listed fields :
- Transaction Desc
- Payee Type
- Payee – pre-filled only if payee type is Borrower

Note: Payee Type Borrower is available when LESA type on a loan is Partially Funded.

Step 4. Click **Submit.** The **New Disbursement** window is refreshed with additional fields.

Step 5. Enter the information in the below listed fields:
- Payee Information
- Disbursement Amount

Step 6. Update the **Process Date** if required.

Step 7. Click Submit to save the changes. This disbursement is displayed in the Disbursement screen.

Step 8. If the payment method is check, the supervisor role must print the check for the disbursement transaction to be sent for Accounting. If the payment method is ACH, then the supervisor role must generate and upload the ACH file for the transaction. Refer to the Accounting **Section 6.19** Disbursements tab for more details.

The table below lists all the allowable disbursement transactions that can be manually created within the Life Expectancy Set Aside Disbursements category.

Transaction	Description
Disb – Life Expectancy Set Aside Not Final	Initiated by the servicer to make a disbursement from borrower's Life Expectancy set aside amount for any taxes and insurances on the mortgaged property. Servicer will be able to make these disbursements until all Life Expectancy set aside Not Final amount has exhausted (or) there is no Disb – Life Expectancy Set Aside Final transaction. This transaction applies to ALL pay plan types.
Disb - Repair Set Aside Final	Initiated by the servicer to make a disbursement from borrower's Life expectancy set aside amount for any taxes and insurances on the mortagaged property. This will be a one-time transaction and the servicer will not be able to make any Disb – Life Expectancy Set Aside Not Final transaction once a final transaction has been made. This transaction applies to ALL pay plan types.

Table 6-12: Life Expectancy Set Aside (LESA) Disbursements

6.15.9 Manually Adding a Scheduled Payment Disbursement

The Servicing Module allows the authorized user to manually add a scheduled payment as a disbursement on assigned loans.

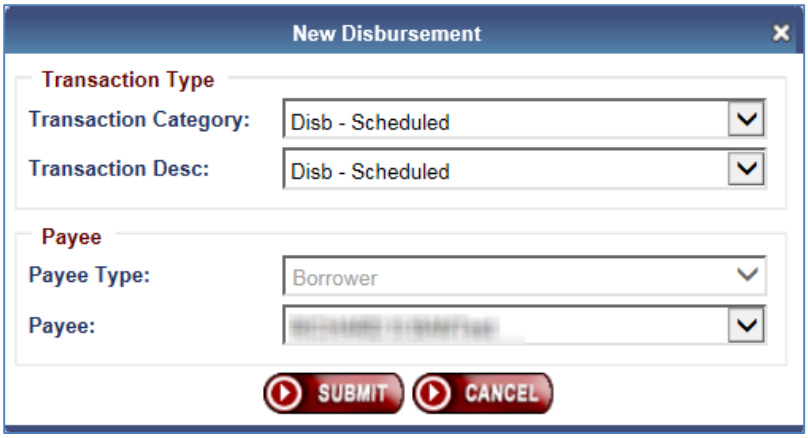
To manually add a scheduled payment as a disbursement:

Step 1. Search for the loan skey or FHA Case #, and click on the Disbursements screen to display the transactions.

Step 2. Click on the "New" button above the search results.

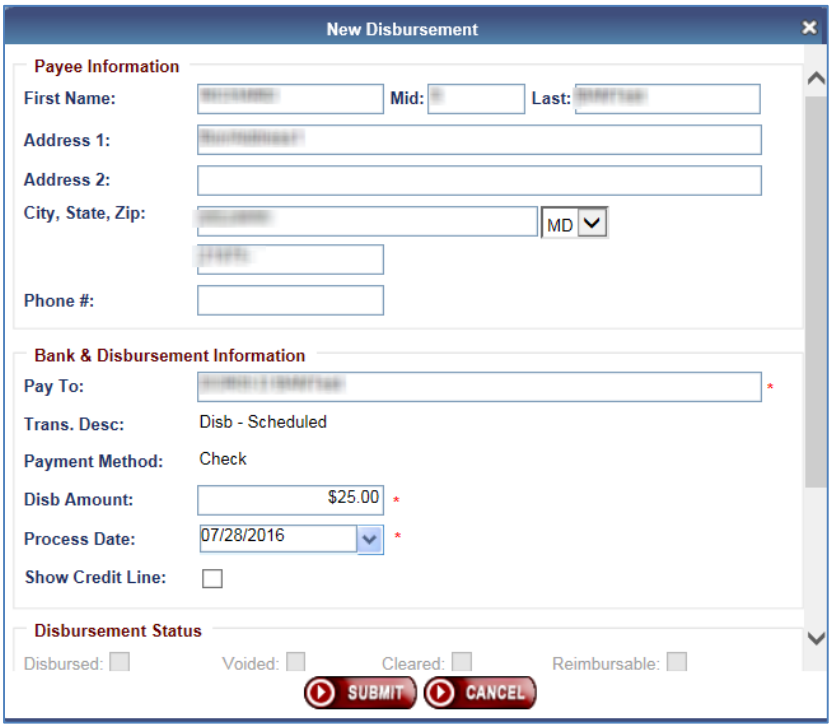
Step 3. A New Disbursement window pops up, choose "Disb - Scheduled" for Transaction Category, and "Disb - Scheduled" again for Transaction Desc.

Step 4. The Payee Type and Payee fields shoud auto populate with the borrower's information. Click on "Submit".

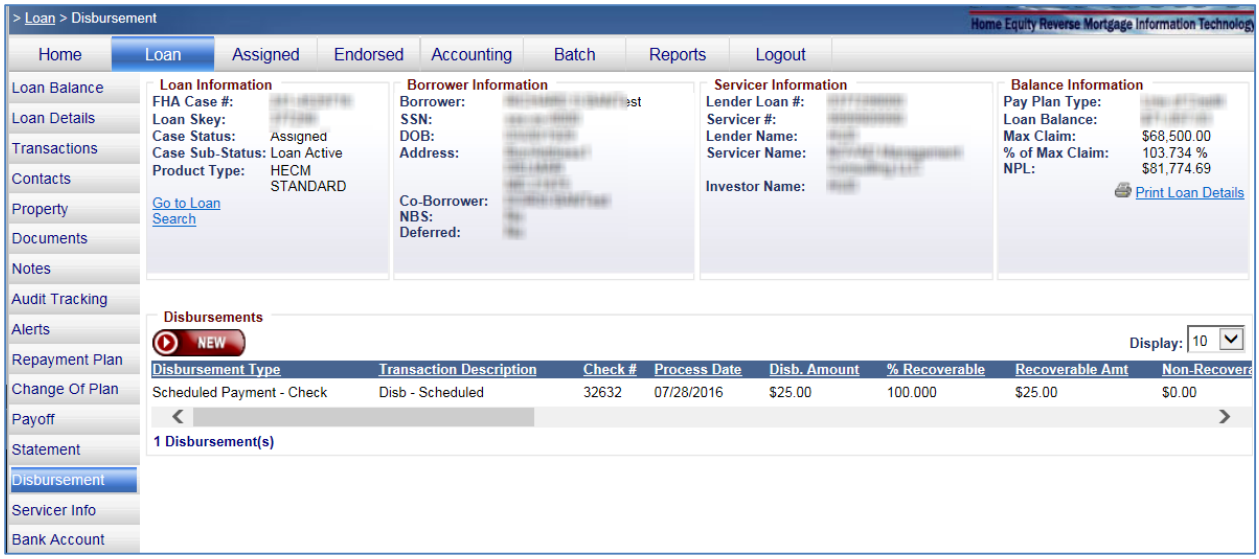


Step 5. Additional disbursement information is added to the New Disbursement window.

- Under Payee Information, set First Name, Middle Initial, Last Name, Address information and phone number as needed.
- Under Bank & Disbursement Information, set Pay To, Disbursement Amount, Process Date as needed, click on Show Credit Line if required.
- Click on "Submit".



Step 6. The record for the manual scheduled payment should now show up under the Disbusement serach results for the loan.



Step 7. To send the manual scheduled payment by the disbursement method established in the system for the borrower (Scheduled Payment – Check or Scheduled Payment – ACH), refer to related steps in section 6.19 for additional information.

- See section 6.19.3.2 for Print Check.
- See section 6.19.3.3 for ACH Payments.

6.16 Servicer Info

The Lender, Servicer and Investor information is displayed when a user selects the Servicer Info tab from the menu on the left side of the screen. Only authorized HUD NSC Contractor and HUD NSC Staff users will have the permission to transfer the HECM loan from one servicer/investor to other.

Bank information of a particular servicer/investor can only be viewed or edited by the authorized users belonging to the same firm. Upon completion of transfer of HECM loan to a servicer or Investor, the servicer manager or the Lender Manager of the new company can edit the Bank Account information. If loan is repurchased, then the loan is transferred from HUD to the previous lender/servicer. Refer to **Section 5.15** for the instructions to edit the Bank Account Information.

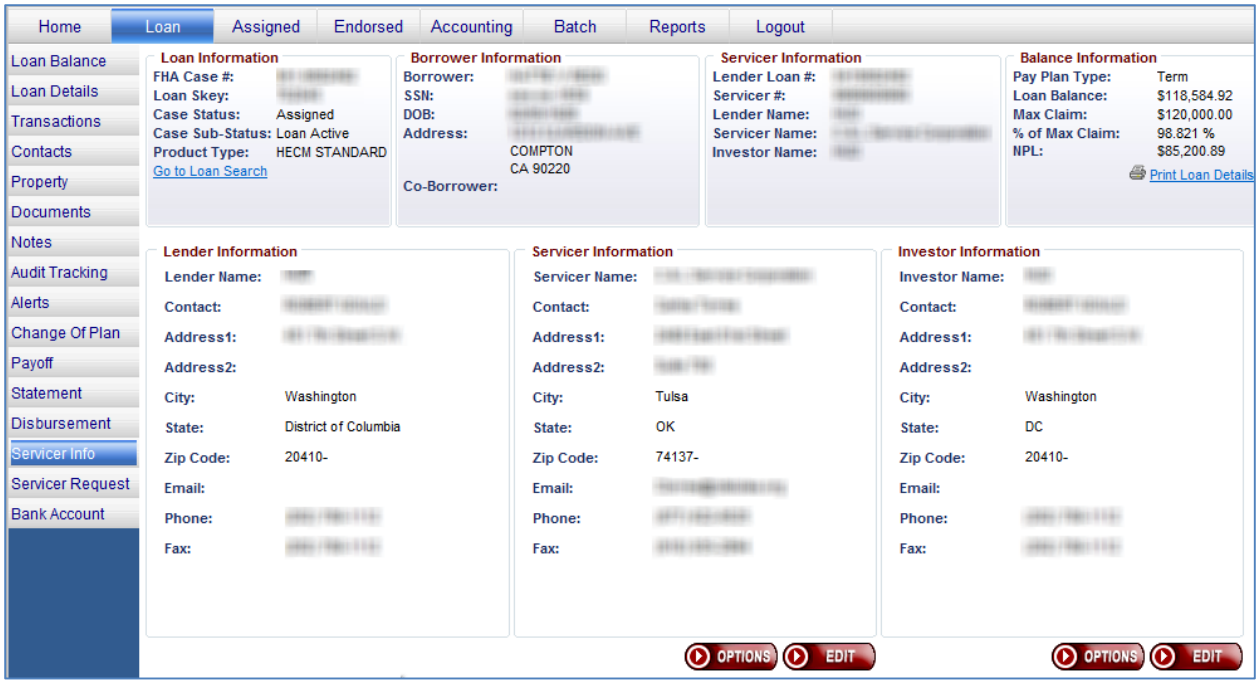


Figure 6-86: Servicer Information Screen

6.16.1 Transferring a Case to a Servicer

To transfer the servicer information for the selected loan:

Step 1. Click **Edit** in the Servicer Information section.

Step 2. On the **Edit Servicer** window, select a servicer from the dropdown.

Step 3. Change the **Servicer Name**.

Step 4. The contact information for the selected servicer is displayed.

Step 5. Select the effective transfer date (this is the first date of the month when the transfer must occur) from the dropdown.

Step 6. Click **Submit** to save the changes. The new information is displayed in the **Servicer Information** section.

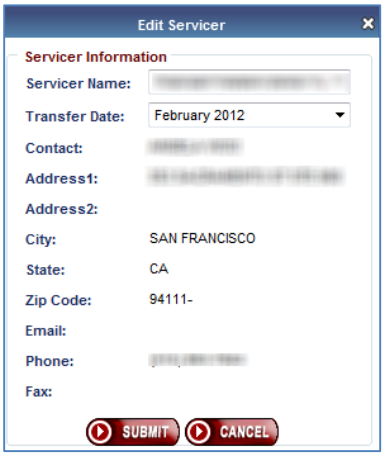


Figure 6-87: Transferring a Servicer

6.16.2 Transferring a Case to an Investor

To transfer the investor information for the selected loan:

Step 1. Click **Edit** in the Investor Information section.

Step 2. On the **Edit Investor** screen, select an investor from the dropdown.

Step 3. The contact information for the selected investor is displayed.

Step 4. Click **Submit** to save the changes. The new information is displayed in the **Investor Information** section.

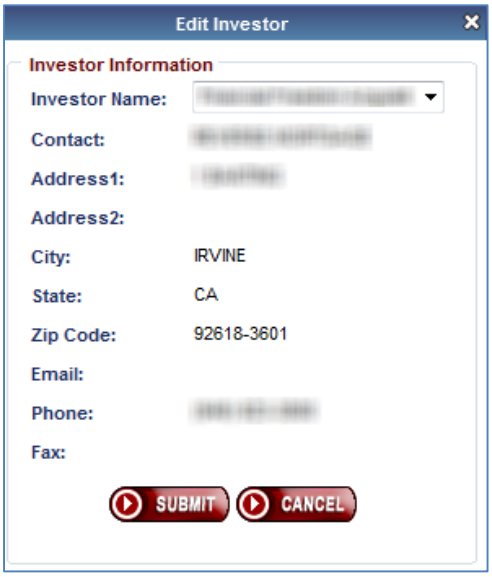


Figure 6-88: Transfer Investor Window

6.17 Servicer Request

This menu option is used only for Endorsed loans. Please refer to chapter 5, Servicer Request section for details.

6.18 Bank Account

The Borrower Bank Account Information screen is displayed when an authorized user selects the Bank Account tab from the menu on the left side of the screen. The Bank Account information will be used by the system to make the payments to the borrower (if payment method is selected as ACH). This screen allows authorized users with the ability to edit the Payment Method and Borrower's Bank Account information.

6.18.1 Editing Borrower Bank Account Information

To edit the bank account or payment method:

Step 1. Click **Edit** on the **Borrower Bank Account Information** section.

Step 2. To auto-populate the ABA routing number, click the **notepad icon** beside the field. A new window is displayed with bank name.

Step 3. Enter the **Bank Name** and click **Search.**

Step 4. From the search results, select the **Bank Name.** The ABA Routing Number of the Bank is populated.

Step 5. Enter the other fields on the **Bank Account Information** section.

Step 6. Click the dropdown list to update the **Payment Method** and select **Check/ACH**.

Step 7. Click **Submit** to save the changes. The updated information is displayed on the **Borrower Bank Account Information** section.

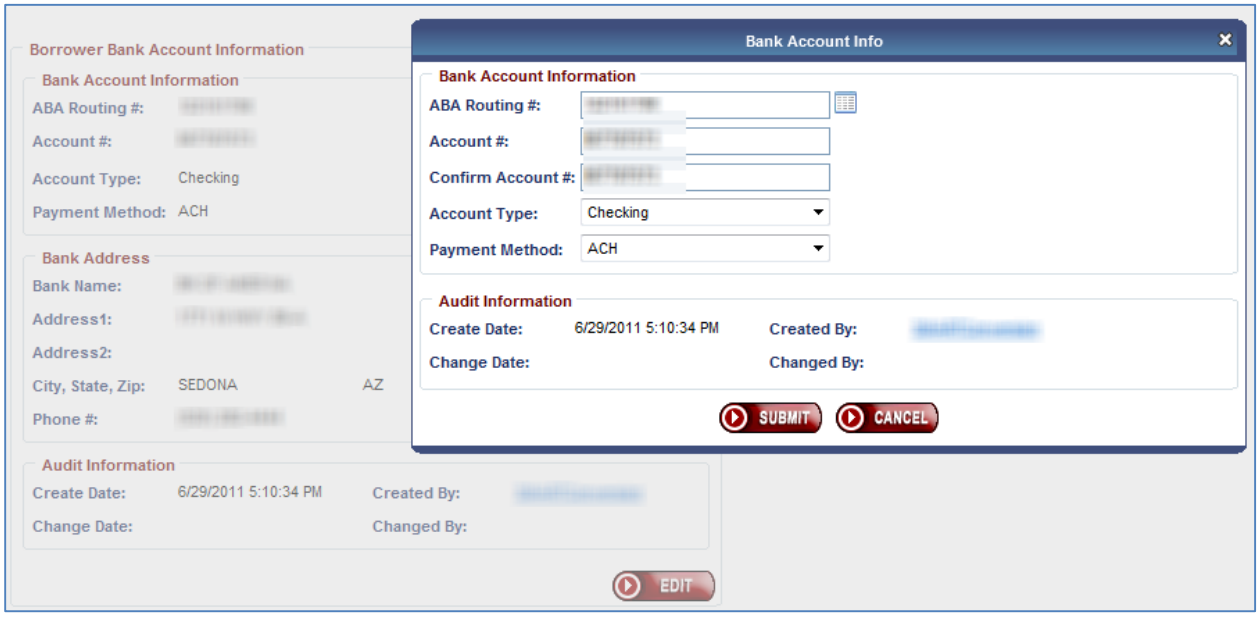


Figure 6-89: Edit Borrower Bank Account Information Window

6.19 Accounting

The Accounting tab enables authorized users to track the status of the payables and receivables transactions generated for a loan. The Accounting Menu option has the following sub-menu options:

- Transmittals
- Disbursements
- Authorizations
- Premiums
- Refunds
- Claims

6.19.1 Transmittals

The Transmittal screen is displayed when an authorized user selects the Transmittal under the Accounting tab displayed in the top menu. This screen provides the history of all the batches generated in the Servicing Module and sent to the Accounting Module for payment processing. The transactions include Premiums (IMIP, MIP, and Refunds), Notes (Disbursements, Monthly Accruals, Other) and Claims (Payables and Receivables).

The Transmittal screen provides the following search criteria:

Field	Description
Batch #	Unique ID for each batch.
Batch Type	Selection from dropdown values.
Servicer Name	Name of the Servicer servicing the loan.
Created Date (From and To Dates)	Date the batch was created.
Batch Status Category	Selection from dropdown values.

Table 6-13: Transmittal Screen Search Criteria

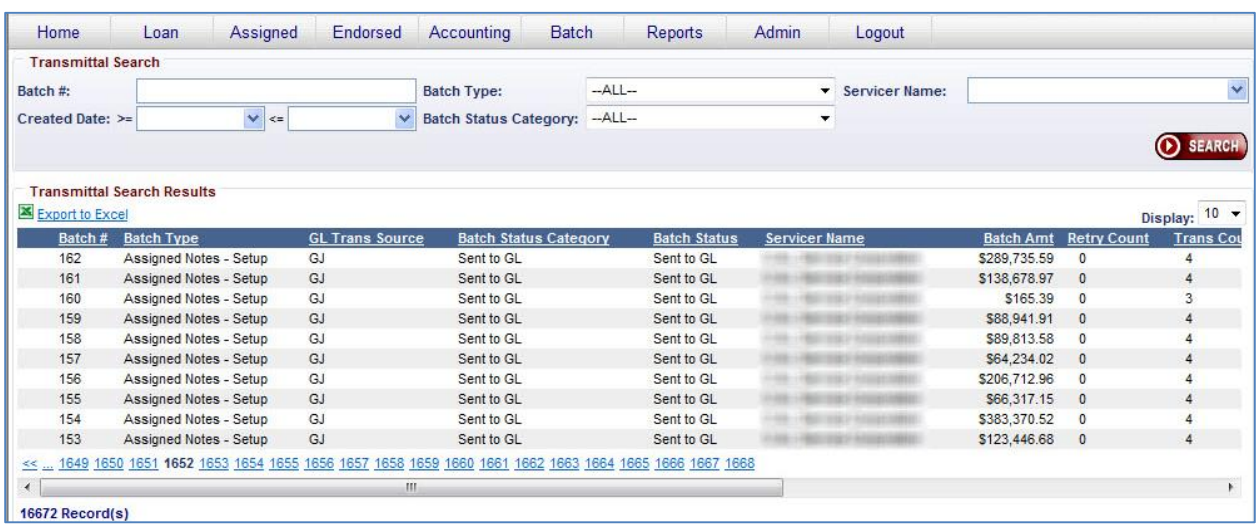


Figure 6-90: Transmittals Search Results Screen

6.19.1.1 Notes Batch Statuses

The Notes transaction batch statuses are listed in the table below.

Batch Status Category	Batch Status	Detail Description
Ready to Transmit/Retry	Ready to Transmit	Batch Created but Interface file not generated yet.
Sent to GL	Sent to GL	Batch Created and File Sent to Accounting Module and waiting on Response from Accounting Module.
Receivable/Payable Established	Success – Disbursed	Payment was successfully completed.
Receivable/Payable Established	Success	Batch was successfully uploaded in the Accounting Module.
Failure – Technical Issues	Failure	Batch could not be uploaded primarily due to technical or format issues.

Table 6-14: Notes Batch Statuses

6.19.1.2 Claims Batch Statuses

The Claims transaction batch statuses are listed in the table below.

Batch Status Category	Batch Status	Detailed Description
Ready to Transmit/Retry	Ready to Transmit Held	Claims payable/receivable batch created but interface file not generated yet.
Ready to Transmit/Retry	Ready To Retry	Lender has fixed bank info or NSF issues and has authorized a retry of collection.
Sent to GL	Sent to GL Held	Claims payable/receivable batch created and file sent to Accounting Module and waiting on response from Accounting Module.
Receivable/Payable Established	Success - Held	Claims payable/receivable batch was Successfully uploaded in Accounting Module.
Failure – Technical Issues	Failure - Held	Claims payable/receivable batch could not be uploaded primarily due to technical or format issues.
Ready to Transmit/Retry	Ready to Transmit Disburse	Claims payable release batch created but interface file not generated yet.
Sent to GL	Sent to GL Disburse	Claims payable release batch created and file sent to Accounting Module and waiting on response from Accounting Module.
Receivable/Payable Established	Success - Disburse	Claims payable batch release was successfully uploaded in Accounting Module.
Failure – Technical Issues	Failure - Disburse	Claims payable release batch could not be uploaded primarily due to technical or format issues.
Receivable/Payable Established	Disbursed	Payment was successfully completed.
Failed	Rejected	Claims Payment was cancelled for some reason in pay.gov.

Batch Status Category	Batch Status	Detailed Description
Ready to Transmit/Retry	Ready to Transmit Collect	Claims receivable release batch created but Interface file not generated yet.
Sent to GL	Sent to GL Collect	Claims receivable release batch created and file sent to Accounting Module and waiting on response from Accounting Module.
Collection/Payment Collected	Success - Collect	Claims receivable release batch was successfully uploaded in Accounting Module.
Failure – Technical Issues	Failure – Collect	Claims receivable release batch could not be uploaded primarily due to technical or format issues
Collection/Payment Collected	Settled	Collection was Successful in Pay.gov.
Failed	Retired	Collection was not completed in pay.gov (probably due to NSF).

Table 6-15: Claims Batch Statuses

6.19.2 Viewing Batch Details

To view batch details:

Step 1. Enter the search criteria and click **Search** on the **Transmittals Search** section.

Step 2. The search results matching the search criteria are displayed in the **Transmittal Search Results** section.

Step 3. Select a record displayed in the search results. The **Batch Details** screen is displayed.

- **Batch Details:** Displays the loans/FHA cases sent to the Accounting Module in that batch. The details of the batch vary and depend on the batch type selected.
- **Audit Tracking:** Enables users to view the audit of the batch status values.

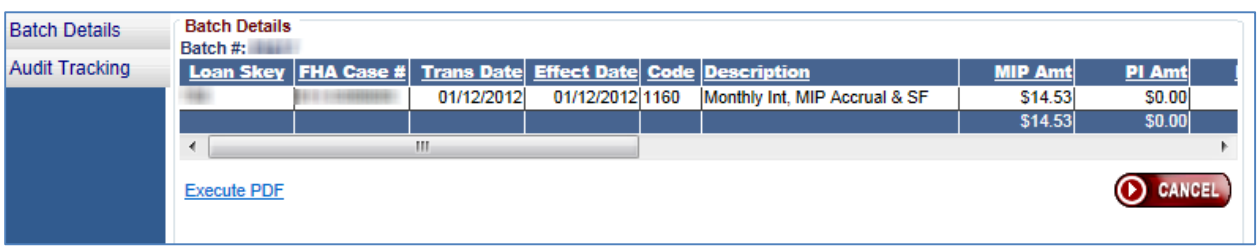


Figure 6-91: Batch Details Screen

Step 4. Select Audit Tracking menu on the **Batch Details** screen to view the **Audit Results** screen.

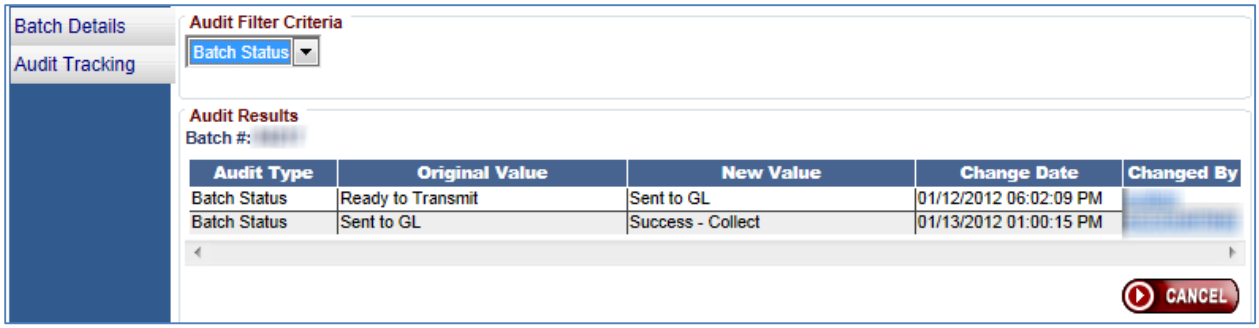


Figure 6-92: Audit Results Screen

6.19.3 Disbursements

The Disbursements screen is displayed when an authorized user selects Disbursements under the Accounting tab displayed in the top menu. This screen displays the Notes disbursement transactions that need a cash supervisor to print the check / approve the ACH transaction. Upon approval, the transaction is released to the Accounting Module for disbursement.

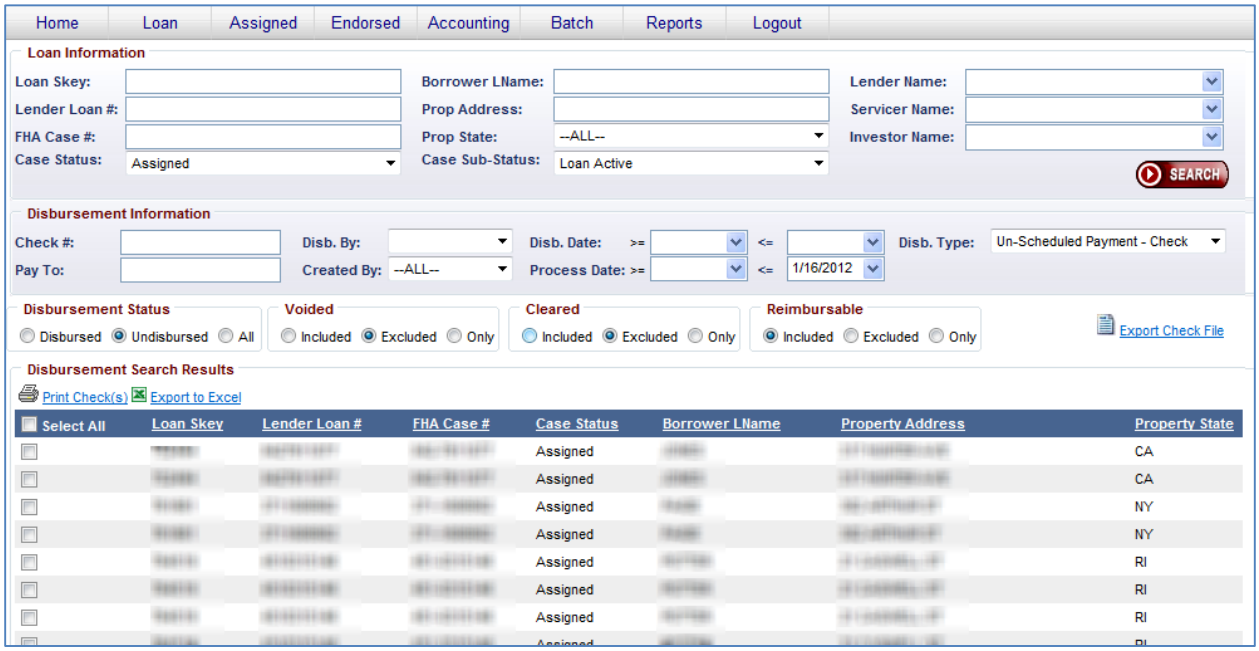


Figure 6-93: Disbursements Screen

The Disbursements screen provides the following search criteria:

Field	Description
Loan Skey	Unique ID for each FHA case.
Lender Loan #	Unique Loan Number assigned by the lender.
FHA Case #	The HECM Case number.
Case Status	Selection from dropdown values.
Borrower LName	The last name of the borrower.
Prop Address	The line 1 of the property address.

Field	Description
Prop State	The property state.
Case Sub-Status	Selection from dropdown values for the selected case status.
Servicer Name	Name of the servicer on the loan.
Lender Name	Name of the lender on the loan.
Investor Name	Name of the investor on the loan.

Table 6-16: Loan Information

Field	Description
Check #	Unique ID for each check.
Pay To	Populate the value.
Disb. By	The user ID that approved the Disbursement transaction.
Created By	The user ID that initiated the Disbursement transaction.
Disb. Date	The date the Disbursement transaction was approved.
Process Date	The date the Disbursement transaction was initiated.
Disb Type	Selection from dropdown values.
Disbursement Status	Selectable options of Disbursed or Undisbursed or All.
Voided	Selectable options of Included or Excluded or Only.
Cleared	Selectable options of Included or Excluded or Only.
Reimbursable	Selectable options of Included or Excluded or Only.

Table 6-17: Disbursement Information

6.19.3.1View Disbursements

To view the disbursement:

Step 1. Enter the search criteria and click **Search** on the **Disbursements** screen to display the transactions.

Step 2. The search results matching the search criteria are displayed in the **Search Results** section.

Step 3. Select the record displayed in the search results. The **Edit Disbursement** window is displayed.

Figure 6-94: Edit Disbursement Window

6.19.3.2 Print Check

To print a check:

The authorized user should print the check when the payment method is Check. This will trigger the transactions to Accounting Module. The below steps are used to print checks for all disbursement types.

Step 1. Select a Disbursement Type based on the disbursement type created in the New Disbursement window, selecting this field will enable the **Print Check(s)** link to print the check. If this field is left blank the **Print Check(s)** option is not available.

Step 2. Enter other search criteria; click **Search** on the **Disbursements** screen to display the transactions.

Step 3. The search results matching the search criteria are displayed in the **Search Results** section.

Step 4. Select the checkboxes for the records that need checks. Click the **Print Check(s)** link under the **Disbursement Search Results** section.

Step 5. Select **Print Preview** on the **Print Summary** window.

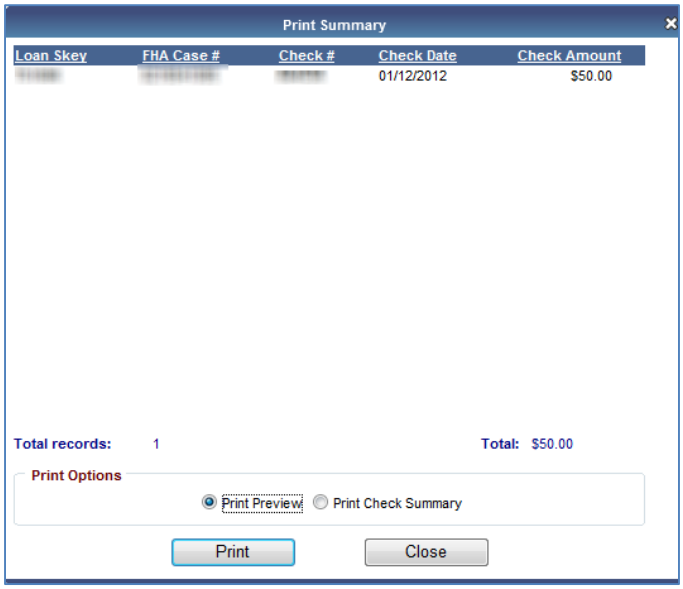


Figure 6-95: Viewing the Print Summary

Step 6. Click **Print**.

Step 7. Click **Yes** on the **Printer Paper** message window. Completing this step will display the check in a PDF file.

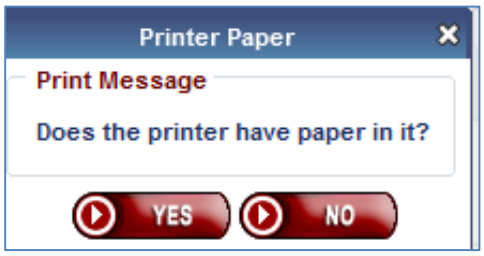
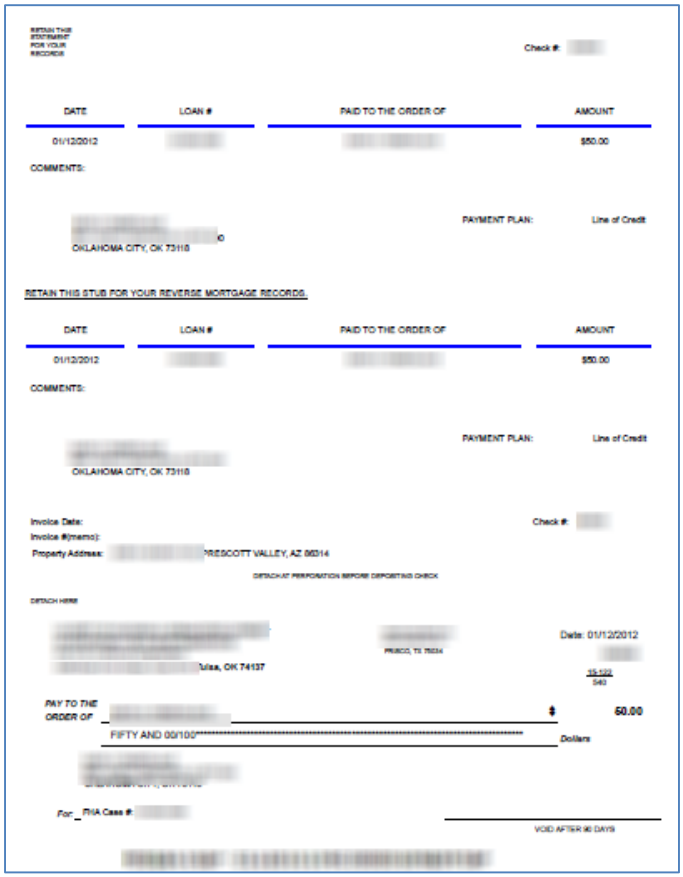


Figure 6-96: Printer Paper Message

Step 8. Click **Yes** on the **Print Checks** message if the check printed correctly. Completing this step will send the transaction to the Accounting Module. The Disbursement Search Results section will not display the transaction any more.

Step 9. Click **No** on the Print Checks message only if the check did not print successfully. Selecting this option will allow printing the check again.


RETAIN THIS STATEMENT FOR YOUR RECORDS

Check #:

DATE	LOAN #	PAID TO THE ORDER OF	AMOUNT
01/12/2012			$50.00

COMMENTS:

PAYMENT PLAN: Line of Credit

OKLAHOMA CITY, OK 73118

RETAIN THIS STUB FOR YOUR REVERSE MORTGAGE RECORDS.

DATE	LOAN #	PAID TO THE ORDER OF	AMOUNT
01/12/2012			$50.00

COMMENTS:

PAYMENT PLAN: Line of Credit

OKLAHOMA CITY, OK 73118

Invoice Date:
Invoice #(memo):
Property Address: PRESCOTT VALLEY, AZ 86314

Check #:

DETACH PERFORATION BEFORE DEPOSITING CHECK

DETACH HERE

Date: 01/12/2012

Tulsa, OK 74137

PAY TO THE ORDER OF $ 50.00

FIFTY AND 00/100 Dollars

For: FHA Case #:

VOID AFTER 90 DAYS

Figure 6-97: Printed Checks

6.19.3.3 ACH Payments

The authorized user should generate the ACH file when the payment method is ACH. All ACH payments authorized by HUD to the homeowners/vendors are sent to an authorized bank. The bank makes these payments on behalf of HUD via direct deposit to the borrower's/vendor's account. In order to send the payment transaction to the servicing financial institution, the Servicing Module enables selecting all ACH payments and exporting to a file which can be saved. This file then can be manually loaded to the serving financial institution for direct deposit.

To generate the ACH file:

Step 1. Select the Disbursement Type as ACH, selecting this field will enable the **Export to NACHA** link to export the ACH file. If this field is left blank, the link is not displayed.

Step 2. Enter other search criteria; click **Search** on the **Disbursements** screen to display the transactions.

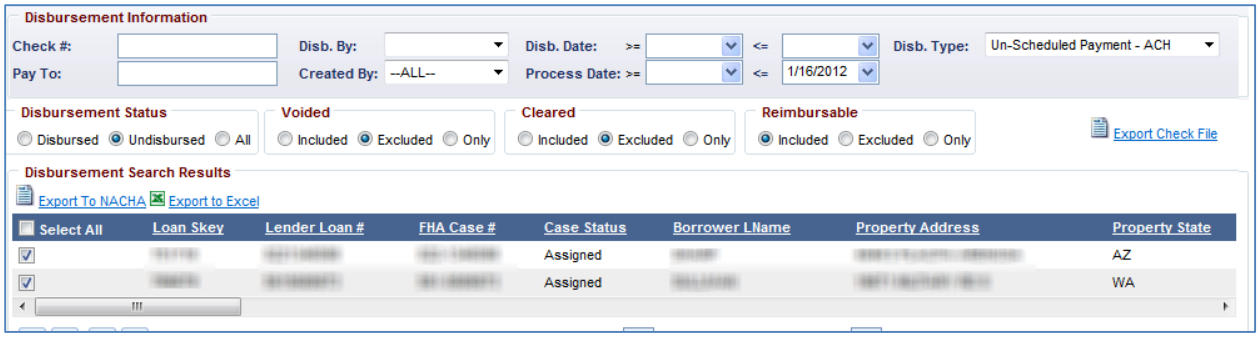


Figure 6-98: Disbursement Search Results

Step 3. The search results matching the search criteria are displayed in the **Search Results** section.

Step 4. Click the **Export NACHA File** link. The selected ACH transaction is exported to a Notepad. Save this file to manually upload to the servicing financial institution.

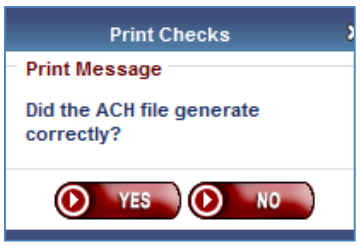


Figure 6-99: Print Checks Window

Step 5. Click **Yes** if the file exported correctly on the **Print Checks** window. This completes the generation of the Export file. Click **No** if the file was not generated successfully. This enables the user to re-generate the file.

6.19.3.4 Void Check

The Servicing Module allows the authorized user to void a check if the disbursement transaction has not been sent to Accounting Module.

To void a check:

Step 1. Enter search criteria; click **Search** on the **Disbursements** screen to display the transactions.

Step 2. The search results matching the search criteria are displayed in the **Search Results** section.

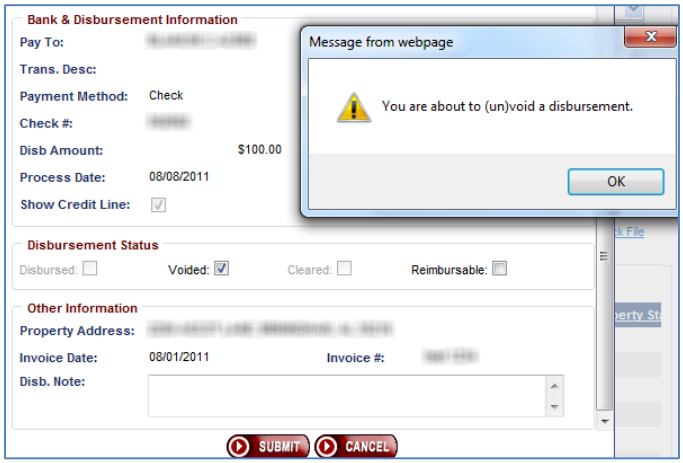


Figure 6-100: Void Check

Step 3. Select the record that you want to void the check.

Step 4. Scroll to the bottom of the **Edit Disbursement** window.

Step 5. Click the checkbox next to **Voided** at the Disbursement Status section of the Edit Disbursement screen.

Step 6. View the "You are about to (un)void a disbursement" message.

Step 7. Click **OK** to confirm the action.

6.19.3.5 Reprint Voided Check

The Servicing Module allows the authorized user to reprint a voided check.

To reprint a void check:

Step 1. Enter search criteria; click Search on the Disbursements screen to display the transactions.

Step 2. The Loan Search criteria should include the following:

- The Loan Skey# to be entered in the Loan Information Section
- The Disbursement type to be selected in the Disbursement Information Section
- The Disbursement Status to be selected as Disbursed
- The Voided to be selected as Included

Step 3. When the record shows up click on "Select ALL" checkbox.

Step 4. Click on Print Check(s) link to re-print.

Step 5. A message from webpage will appear. Click OK to continue.

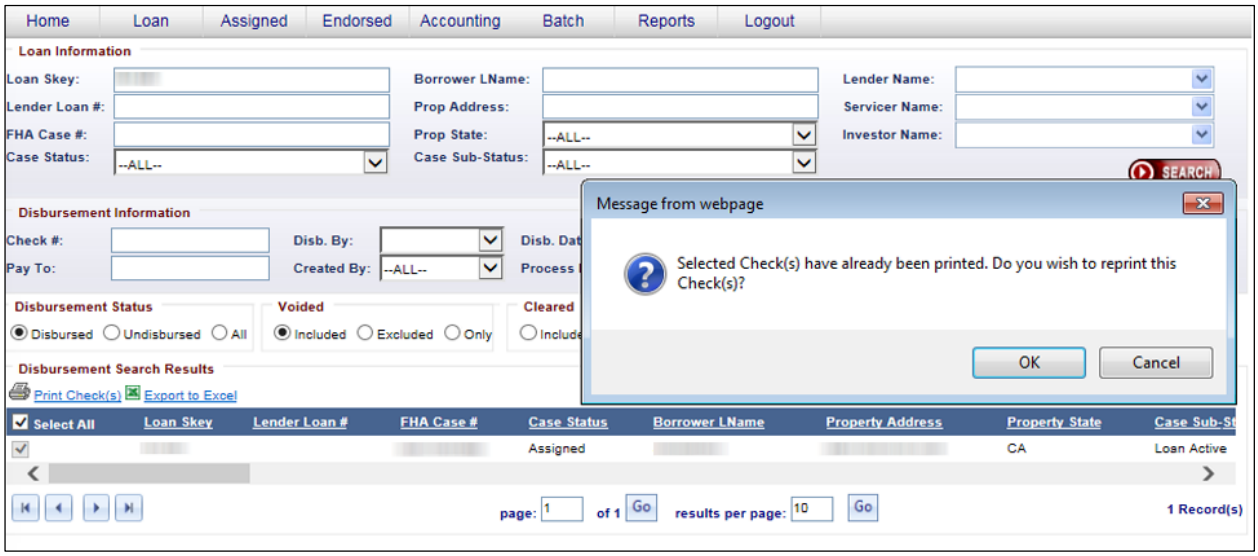


Figure 6-101: Reprint Check(s) Message

Step 6. Select Print Preview.

Step 7. Click Print.

Step 8. Click Yes on the Printer Paper message window. Completing this step will display the check in a PDF file.

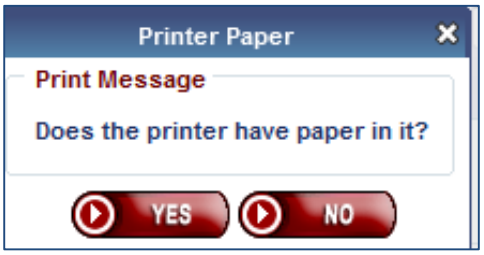


Figure 6-102: Printer Paper Message

Step 9. Click Yes on the Print Checks message if the check printed correctly. Completing this step will send the transaction to the Accounting Module. The Disbursement Search Results section will not display the transaction any more.

Step 10. Click No on the Print Checks message only if the check did not print successfully. Selecting this option will allow printing the check again

6.19.4 Authorizations

The Authorizations screen is displayed when an authorized user selects Authorizations under the Accounting tab displayed in the top menu. This screen displays the transactions that need authorization for collection from a lender/investor/servicer. Upon authorization, the transaction will no longer be displayed on the screen.

The Authorizations screen provides the following search criteria:

Field	Description
Loan Skey	Unique ID for each FHA Case.
FHA Case #	The HECM Case number.

Servicer Name	Name of the Servicer that previously serviced the loan.

Table 6-18: Search Criteria for Authorizations

To authorize a Repurchase transaction:

Step 1. Enter the search criteria and click **Search** on the **Authorizations** screen to display the Repurchase transactions.

Step 2. The search results matching the search criteria are displayed in the **Search Results** section.

Step 3. Select the record displayed in the search results. The **Authorization Information** window is displayed.

Step 4. Click **Approve** on the **Authorization Information** window. To exit without approving click Cancel.

Step 5. Once approved, the claims receivable transaction is released to the Accounting Module for payment collection. The updated batch status of the transaction can be viewed using the **Transmittals** screen of the Servicing Module.

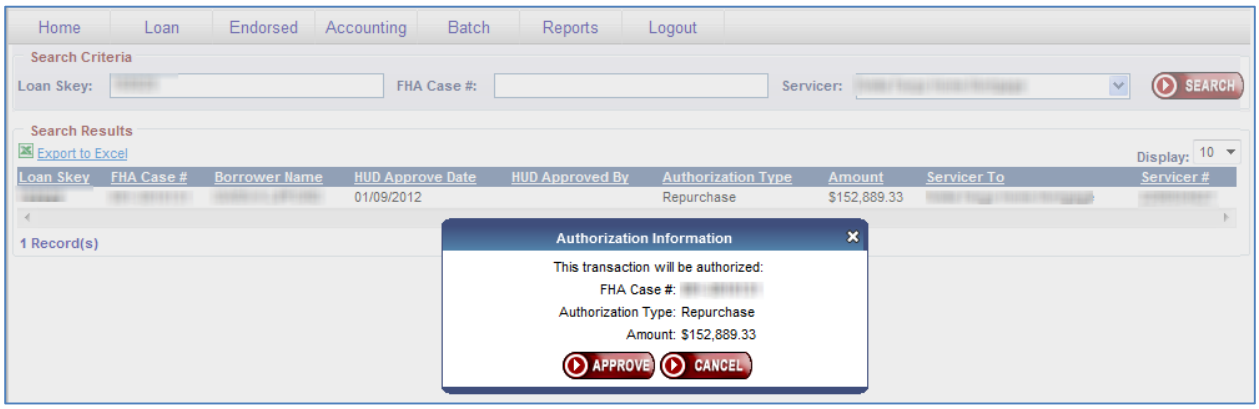


Figure 6-103: Authorize a Repurchase Transaction

6.20 Batch

The Batch menu option provides the HUD NSC Contractor with the access to Vendor Upload screen.

6.20.1 Vendor Upload

The Vendor Upload screen provides the HUD NSC Contractor to process the following files:

- BANKO
- FARETS

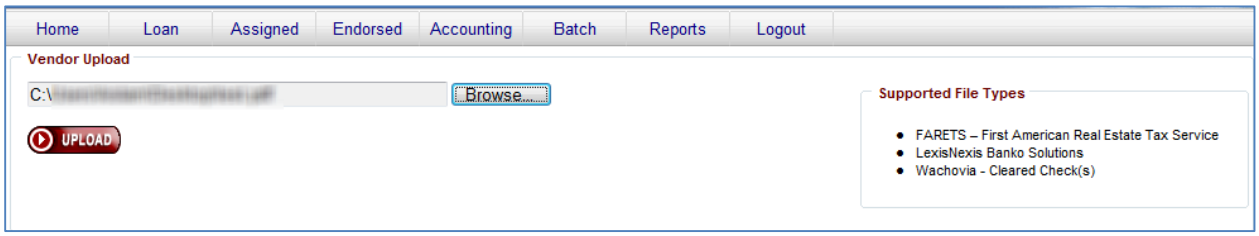


Figure 6-104: Vendor Upload Screen

6.20.1.1 BANKO

BANKO file is used to track death and bankruptcy activity on all HECM loans serviced by the HUD NSC Contractor. The Servicing Module will allow authorized user to generate a file with the list of assigned loans. The HUD NSC Contractor will use its internal processes and procedures to process this file and generate the return files. The return files will be uploaded into HERMIT via the vendor upload screen.

To generate the BANKO file:

Step 1. Click **Reports** tab from the top menu.

Step 2. Click Export BANKO File from the Assigned Notes Reports.

Step 3. Click the **Export BANKO File** link to generate the file.

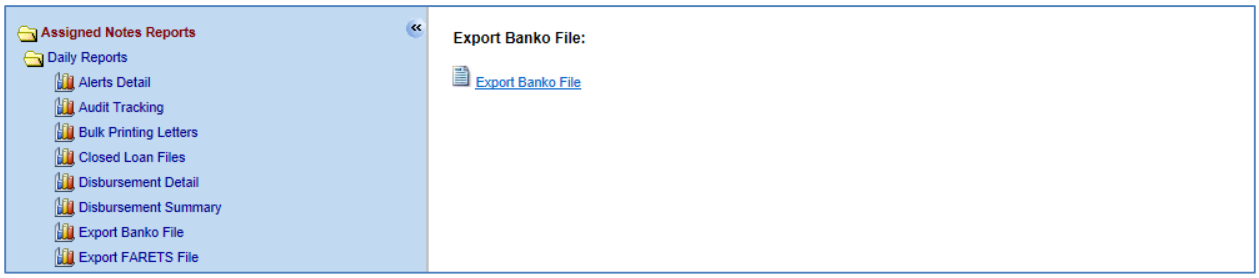


Figure 6-105: Generate BANKO File

To upload the BANKO Response file (Bankruptcy File and Notification of Death):

Step 1. Click **Batch - Vendor Upload** on the top menu.

Step 2. Click **Browse** on the **Vendor Upload** screen to attach the BANKO return file.

Step 3. Click **Upload.** The **Import Results** section displays the details of the upload results.

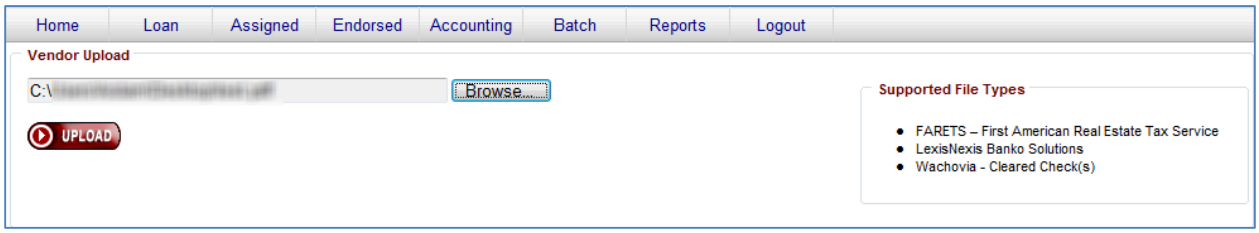


Figure 6-106: Upload BANKO File

Step 4. The system will process the file and validate the records in the BANKO return file:
- If all the critical validations pass for the record, the record is uploaded
- If any of the critical validations fail, the record is not uploaded in the Servicing Module

Step 5. The processing status of each record within the file is displayed:
- **Rec#:** The record number of the case within the file
- **FHA Case#:** The case number associated with the record
- **Status:** The status of the uploaded record (Success, error or warning)
- **Errors:** Description of the errors associated with the record
- **Warnings:** Description of the warnings associated with the record

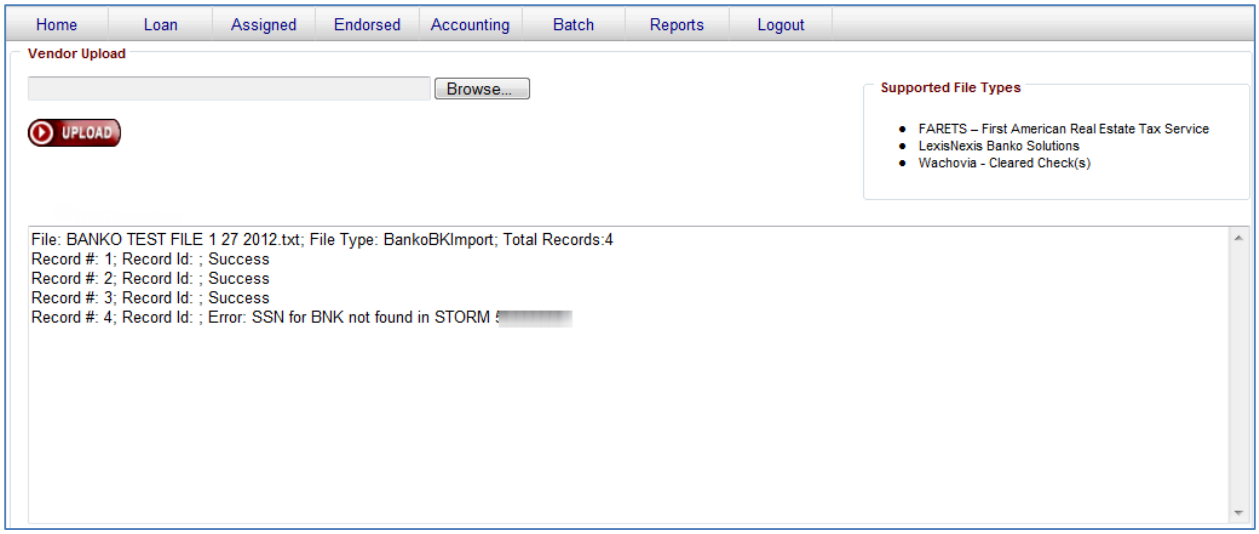


Figure 6-107: BANKO Return File Import Results for Bankruptcy

Step 6. For the records that are successfully processed:

- The system will initiate the Bankruptcy Timeline for the records with a Bankruptcy indicator
- The system will update the Borrowers Date of Death for the records with a Death indicator

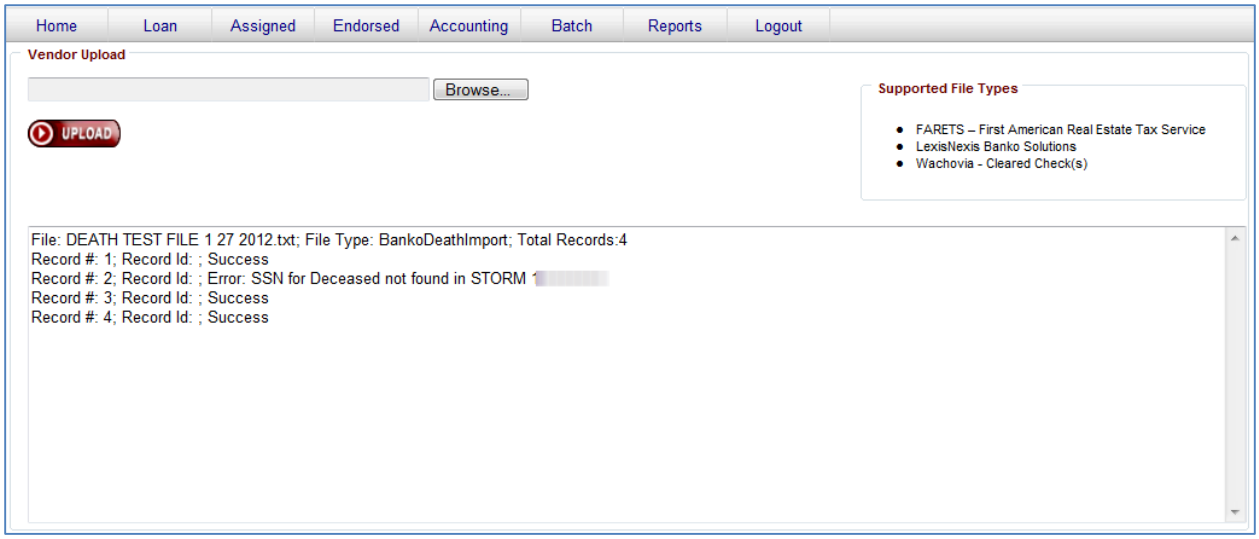


Figure 6-108: BANKO Return File Import Results for Notification of Death

6.20.1.2 FARETS

FARETS file is used to track the tax delinquency on all HECM loans serviced by the HUD NSC Contractor. The Servicing Module will allow authorized user to generate a file with list of assigned loans. The HUD NSC Contractor will use its internal processes and procedures to process this file and generate the return files. The return files will be uploaded into HERMIT via the vendor upload screen.

To generate the FARETS file:

Step 1. Click **Reports** tab from the top menu.

Step 2. Click E**xport FARETS File** from the **Assigned Notes Reports.**

Step 3. Enter the Start and End Dates.

Step 4. Click the **Export FARETS File** link to generate the file.

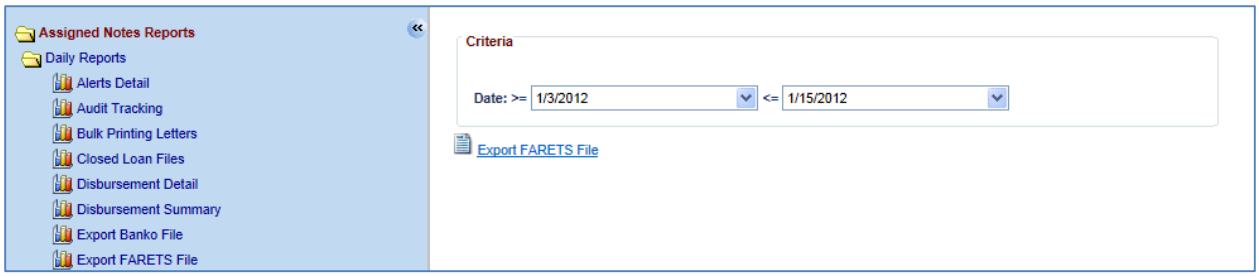


Figure 6-109: Generate FARETS Files

To upload the FARETS Response file:

Step 1. Click **Batch - Vendor Upload** on the top menu.

Step 2. Click **Browse** on the **Vendor Upload** screen to attach the FARETS return file.

Step 3. Click **Upload.** The **Import Results** section displays the details of the upload results.

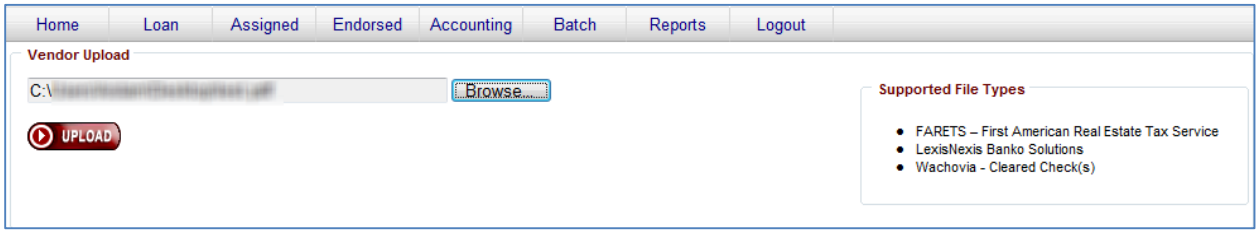


Figure 6-110: Upload FARETS File

Step 4. The system will process the file and validate the records within the FARETS return file:

- If all the critical validations pass for the record, the record is uploaded
- If any of the critical validations fail, the record is not uploaded in the Servicing Module

Step 5. The processing status of each record within the file is displayed:

- **Rec#:** The record number of the case within the file
- **FHA Case#:** The case number associated with the record
- **Status:** The status of the uploaded record (Success, error or warning)
- **Errors:** Description of the errors associated with the record
- **Warnings:** Description of the warnings associated with the record

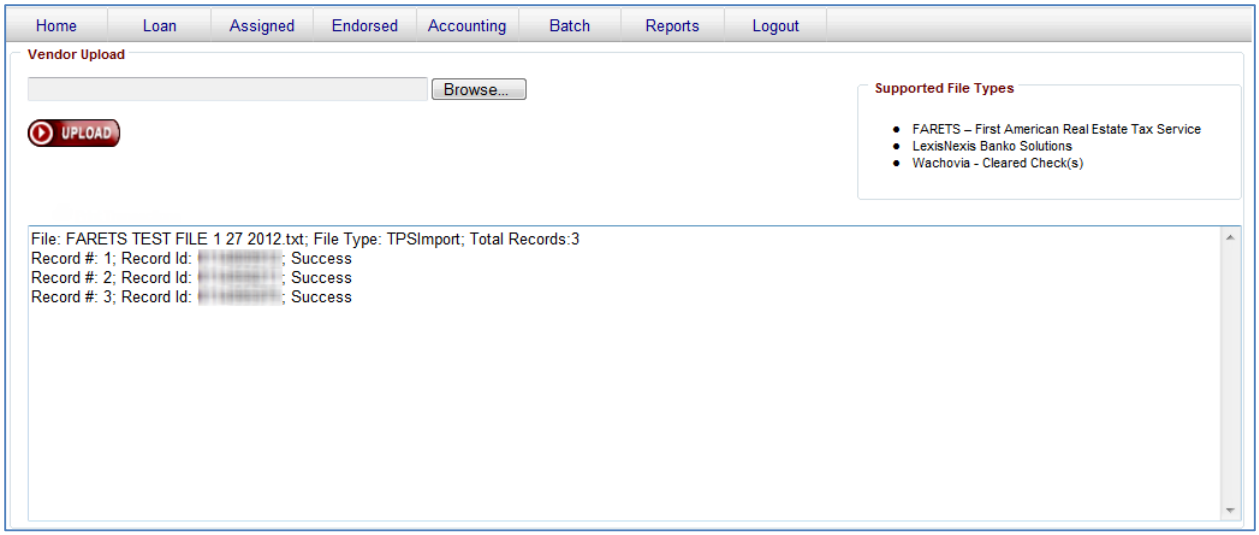


Figure 6-111: FARETS Return File Upload Results

Step 6. For the records that are successfully processed, the system will initiate the Taxes Delinquency Timeline.

6.21 Repayment Plan

The Repayment Plan screen is displayed when a user selects the Repayment Plan tab from the menu on the left side of the screen. The Repayment Plan screen shows the current repayment plan and any prior repayment plans associated with the loan. Only authorized user roles from HUD NSC Contractor can approve the Change of Plan to be effective.

The following conditions must be satisfied to initiate a repayment plan:

- Authorized users can create and edit Repayment Plan.
- The loan must have a case status of Pending IMIP, Pending Endorsement, Endorsed, and Assigned.
- The Repayment Plan Start Date must be less than the Repayment Plan End Date.
- The Next Monthly Payment Due Date is greater than the Repayment Plan Start Date.

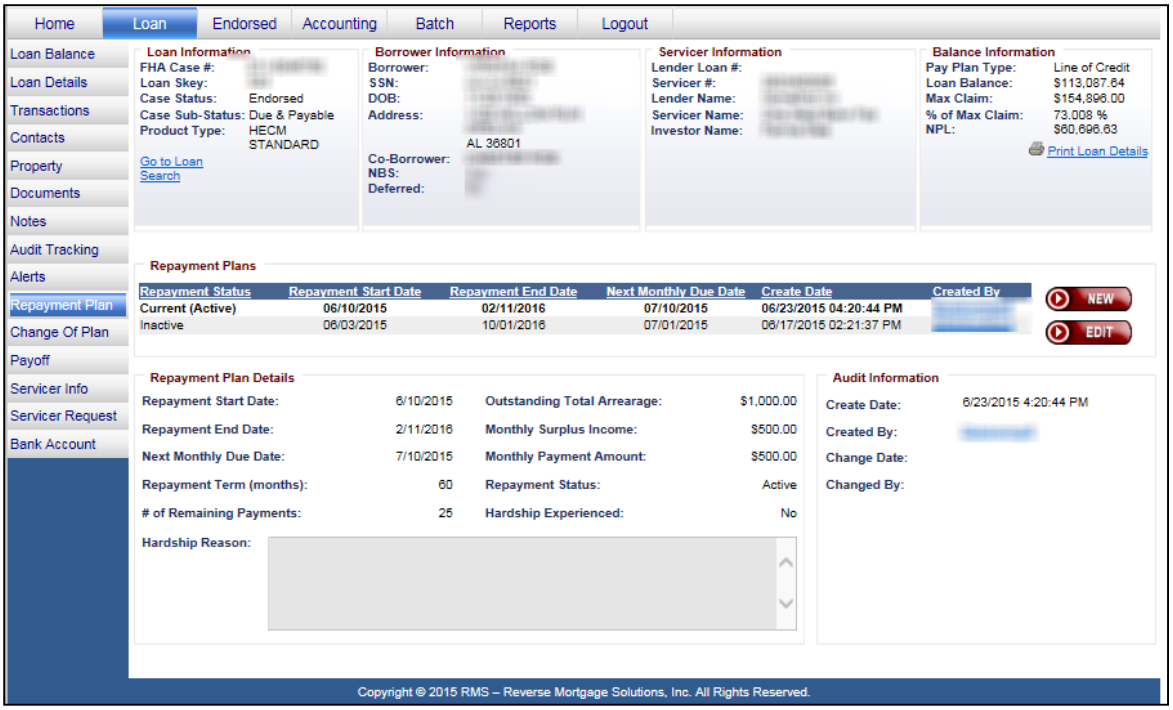


Figure 6-112: Repayment Plan Screen

6.21.1 Viewing a Repayment Plan

Step 1. To view a repayment plan: Select the record to display the **Repayment Plan Details** section and **Audit Information** sections. The Repayment Plan Details section displays the following details of the payment plan selected in Pay Plans section:

- **Repayment Start Date:** The date, repayment plan was initiated.
- **Repayment End Date:** The date, repayment plan ended.
- **Next Monthly Due Date:** The date next monthly payement is due.
- **Repayment Term (months):** Total number of payments to be paid by the Servicer. The repayment term cannot exceed 60 months.
- **# of Remaining Payments:** The number of payments remaining to be paid by the servicer. The number of payments cannot exceed 60 months.
- **Outstanding Total Arrearage:** Is determined by adding the outstanding corporate advances made for the account to any property charges, less any for HOA fees, due for the next 90 days.
- **Monthly Surplus Income:** Is determined by subtracting the mortgagor's necessary living expenses – including healthcare, revolving and installment debt, any payment obligations, utility bills, and other household-related expenses - and a monthly amount needed for property charges due over the next twelve months from available sources of income as stated by the mortgagor.
- **Monthly Payment Amount:** Is the amount determined by the servicer to be paid towards the repayment plan each month.
- **Repayment Status:** Repayment Status can be Active, Inactive or Completed.
- **Hardship Experienced:** Is determined if the mortgagor experiences a decrease in their available amount of surplus income due to a verified hardship (e.g., illness, death of a household member who was identified as a contributor of income in a previous Repayment Plan calculation, emergency home repair, loss of employment income,

etc.) and seeks to have a Repayment Plan adjustment, mortgagees must solicit new financial information from the mortgagor to conduct a new Repayment Plan assessment.

- **Hardship Experienced:** The field Hardship Reason is mandatory if the user selects the Hardship Experienced.

Note: All of the fields mentioned above needs to be entered manually by the authorized users in HERMIT. HERMIT does not capture any fields for the Repayment Plan.

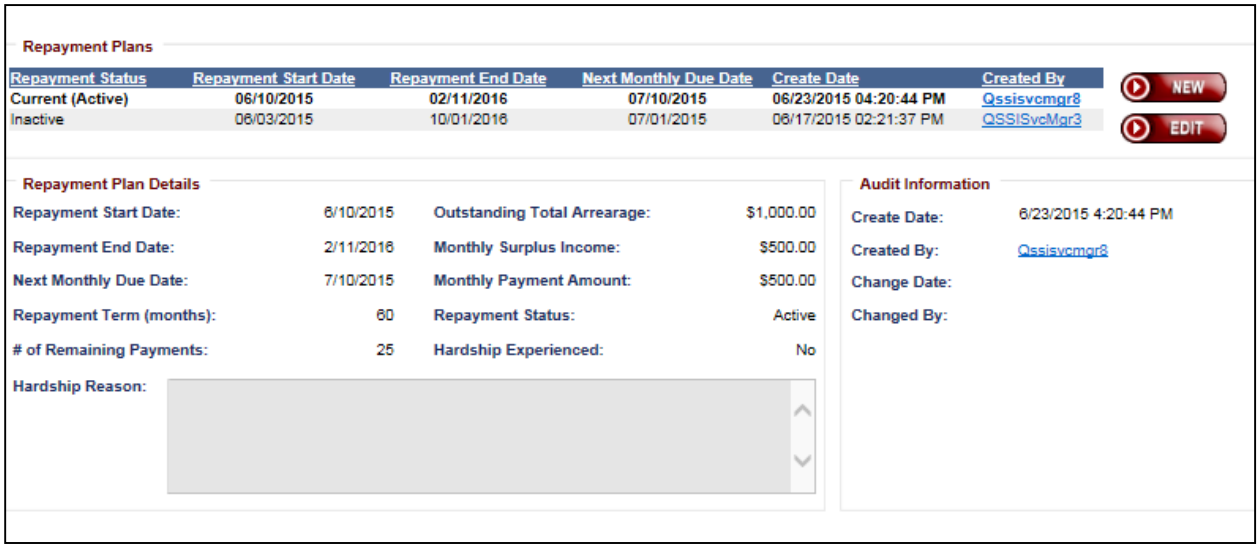


Figure 6-113: View Repayment Plan Screen

6.21.2 Creating a New Repayment Plan

To create a new repayment plan:

Step 1. Click **New** in the **Repayment Plan** section.

Step 2. On the **Repayment Plan** window, enter all the mandatory fields.

Step 3. Click **OK**

Note: After a new Repayment Plan is created the previous repayment plan will be automatically inactivated.

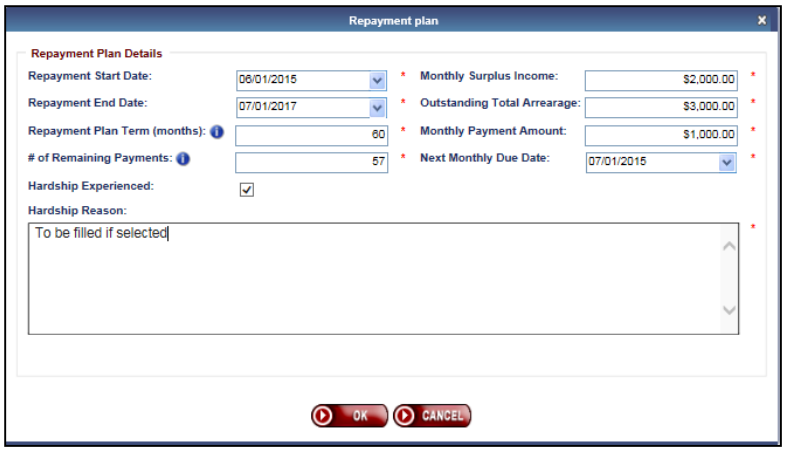


Figure 6-114: New Repayment Plan Window

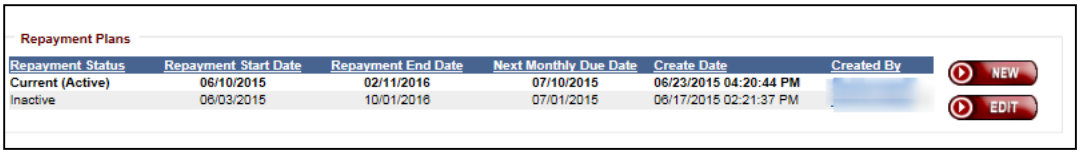


Figure 6-115: New Repayment Plan Displayed on Repayment Plans Section

6.21.3 Editing a Repayment Plan

To edit a repayment plan:

Step 1. Click **EDIT** in the **Repayment Plan** section.

Step 2. On the **Repayment Plan** window, edit the fields as needed.

Step 3. Click **OK.** The changes will be displayed on the Repayment Plan Detail section screen.

Note: The # of remaining payments has to be zero, if the Repayment Status has to be changed to **Completed**.

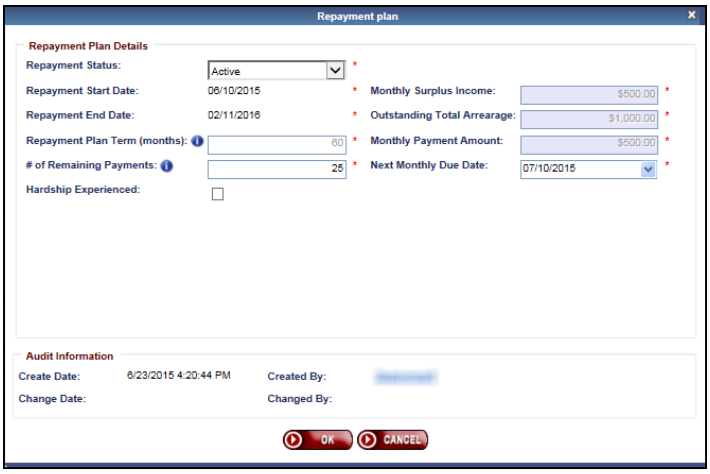


Figure 6-116: Edit Repayment Plan Window