

**Home Equity Reverse Mortgage Information
Technology
(HERMIT)**

HERMIT System Changes – Release 4.22

**Release Date: 10/03/2015
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HERMIT SYSTEM CHANGES – RELEASE 4.22

1. INTRODUCTION

The Home Equity Conversion Mortgage Service Provider (HECM SP) has released version 4.22 of the Home Equity Reverse Mortgage Information Technology (HERMIT) software which consists of:

- Loan Balance Adjustment for MIP, Interest and SFee changes

If you have any questions regarding the functionality of the software release, please contact the HERMIT Help Desk at 561-899-2610 or at support@hecmsp.com. If you have any policy related questions, please send an email to HUD at answers@hud.gov.

HERMIT SYSTEM CHANGES – RELEASE 4.22

1.1 Loan Balance Adjustments for MIP, Interest and Service Fee – Mortgagee Letter 2013-23

1.1.1 Adjusting MIP Amount, Interest Amount & Service Fee Balance Amount

Authorized Users will have edit capability to make changes to the MIP, Interest & Service Fee Balance amounts. HUD has established a threshold for these fields and an error message will be displayed if the user enters an amount greater than the threshold, **the threshold amount will be summed up for all transactions that have been entered for the Accruals–Loan Balance Transaction. The change in MIP amount will result in an adjustment for a payable or receivable amount.** A transaction will be created in the Transaction→Loan section if the submission was successful.

Please note that the thresholds for the three fields are subject to change by HUD.

Trans Date	Effect Date	Code	Description	Prin Amt	Int Amt	MIP Amt	SF Amt	Loan Bal
10/01/2015	09/30/2015	1191	Accruals - Loan Balance Correction	\$0.00	\$99.77	\$31.04	\$70.00	

Figure 1: Adjusting MIP, Interest & Service Fee Balance Amounts

Adjust Loan Transaction ✕

Transaction Type:	<input type="text" value="Accruals - Loan Balance Correction"/>	Principal Amount:	<input type="text" value="\$33,196.70"/>	Current Amount:	<input type="text" value="\$33,196.70"/>	Adjustment Amount:	<input type="text" value="\$0.00"/>
Effective Date:	<input type="text" value="09/30/2015"/>	Interest Amount:	<input type="text" value="\$25,000.00"/>	Current Amount:	<input type="text" value="\$20,063.00"/>	Adjustment Amount:	<input type="text" value="\$4,937.00"/>
		MIP Amount:	<input type="text" value="\$8,000.00"/>	Current Amount:	<input type="text" value="\$5,100.00"/>	Adjustment Amount:	<input type="text" value="\$2,900.00"/>
		Service Fee Amount:	<input type="text" value="\$5,500.00"/>	Current Amount:	<input type="text" value="\$5,200.00"/>	Adjustment Amount:	<input type="text" value="\$300.00"/>
		Total:	<input type="text" value="\$71,696.70"/>	Current Amount:	<input type="text" value="\$63,559.70"/>	Adjustment Amount:	<input type="text" value="\$8,137.00"/>

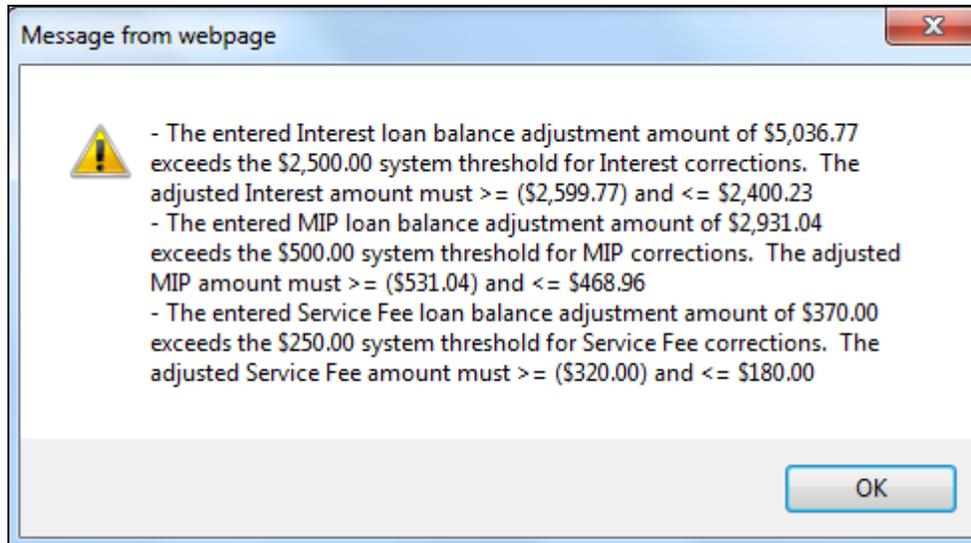


Figure 2: Error Messages When Submitting Amounts Greater Than Allowable Summed up Threshold

Trans Date	Effect Date	Code	Description	Prin Amt	Int Amt	MIP Amt	SF Amt	Loan Bal
10/01/2015	09/30/2015	1191	Accruals - Loan Balance Correction	\$0.00	\$937.00	\$200.00	\$50.00	

Figure 3: Successful Submission of MIP, Int & SFee