

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

**HERMIT System Changes
(High Level) – Release 4.3**

**Release Date: 12/19/2015
Document Date: 12/19/2015**

December 2015

HERMIT SYSTEM CHANGES (High Level) – RELEASE 4.3

1. HIGH LEVEL DETAILS

The Home Equity Conversion Mortgage Service Provider (HECM SP) has released version 4.3 of the Home Equity Reverse Mortgage Information Technology (HERMIT) software which consists of the items below. Additional details will be distributed the week of 12/21. The items below are described at a high level to ensure users are aware of the changes being released as part of the new functionality in HERMIT.

- **Approval of a Negative Claim by HUD:** Currently, Servicers can add, delete or edit transactions after the Claim is submitted to HUD for approval. This could result in a Negative Claim if approved by HUD. HUD will no longer be able to approve a claim that would result in Negative Claim Payment.
- **Corp Advance Descriptions:** Users shall be able to edit the descriptions for the Corp Advances on the Claims Forms CT-21, CT-23 and CT-24.
- **Not Allow Deactivation of CT21, CT22, CT23 and CT 24 Timelines:**
 - The HERMIT application will no longer allow unauthorized users to inactivate a CT-21, CT-23 or CT-24 timeline in the “Edit Servicing Management” window if the Claim has been approved for Payment.
 - The HERMIT application will also not allow unauthorized users to inactivate a CT-22 timeline once the ‘Completed Date’ is added to the Step ‘Assignment to HUD sent for recording/Servicer Files Claim Type 22 – Form 27011’.
- **HUD Advance Amount Excluded as Part of CT 21 and CT23:**
 - The user will no longer be allowed to initiate a CT-21 or CT-23, if there is an unpaid HUD Advances on the loan.
 - If there is an active CT-21 or CT-23 on the loan, the user will not be able to initiate a HUD Advance timeline on the loan.
 - Users will not be allowed to terminate a CT-21 or CT-23 loan that has an unpaid HUD Advance on it.
- **Repurchase and HUD Advance Authorizations for Collection:**
 - When the user now authorizes a HUD Advance or Repurchase for collection, the interest will be included in the batch at that time. The batch that will be sent for collection will be created at the time the user authorizes the collection of the HUD Advance or Repurchase.
 - The system shall display the UPB, Remaining UPB and the Total Amount when Authorizing a Repurchase or HUD Advance to be sent for collection.
 - The Repurchase and HUD Advance collection will now be collected from the Servicer of Record that exists at the time of approval of the Repurchase or HUD Advance instead of the Investor of record.
 - There will be a new batch status of Pre-Settled status in HERMIT for a Repurchase or HUD Advance. The status of the batch will stay in the Pre-Settled status for 10 calendar days to ensure there is no debit voucher on the collection. If there is no debit voucher after 10 days, the batch will go into a settled status.
 - Authorized Users will now have the capability on the Accounting Transmittal screen to search by Loan Skey and FHA Case Number for Repurchases and HUD Advances.

HERMIT SYSTEM CHANGES (High Level) – RELEASE 4.3

- There will be a Claim's retry functionality if there is a Debit Voucher for a Repurchase or HUD Advance and the batch is in Retired status.
- An Auto Note will be added to the case when the Timeline Step 'HUD Verifies Repayment of Claim' is added for Repurchases and HUD Advance.
- Only HUD users will be able to inactivate the HUD Advance timeline.

NOTE: All pending Accounting->Authorizations for created on or prior to 12/19/2015 will not be visible in HERMIT until 12/28/2015. All pending Accounting->Authorizations created after 12/19/2015 will be visible on the Accounting -> Authorizations screen on 12/20/2015.

- **Enhanced Reporting and Query Functionality:** There have been several updates made to the Reporting and Query functionality in HERMIT. The changes are listed below:
 - Users will now be able to export 40,000 records on screens that have Excel export capability instead of the standard 10,000 or 20,000 (depending on the screen)
 - On the Accounting->Claims screen the following fields have been added:
 - Maximum Claim Amount
 - Endorsement Date
 - ADP Code
 - On the Accounting->Transmittal screen the following fields have been added:
 - Users can search via Loan Skey and FHA Case number. The User will need to select a Batch Type to do the search or an error message will be displayed.
 - For Batch Type of Claims Receivable, the description in the Search Results will indicate whether it was a Repurchase or HUD Advance.
 - FHA Case number, ADP Code is displayed in the Search Results.
 - On the Endorsed Claims Timeline Screen, the report generated shall have 'Approval Method' added to the end. The values for the 'Approval Method' field are 'Auto' and 'Manual'.
- **Password Resets:** Active Users shall be able to reset their passwords and will no longer need to contact the Help Desk when their account is locked.

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.