Lender Approval

The Lender Approval functions provide access to information on record for FHA-approved Title I and Title II lending institutions, including addresses and contact information for the home office and all branch offices, areas approved for business, and relationships established as sponsors and principals/authorized agents. Title I and Title II lending institutions use Lender Approval to maintain the information on record and to renew their FHA lender approval each year, including payment of HUD’s annual renewal fees. Authorized lending institution users are given appropriate add, update, and/or query authorization for Lender Approval Title I and/or Title II applications. Refer to the following sections to learn more:

- Accessing Lender Approval Functions
- Institution Profile (includes details on annual requirements in the Overview and Annual Renewal sections)
- Home Office Details
- Branch Functions
- Areas Approved for Business
- Authorized Agent Relations
- Payment History
- Privacy Policy

Accessing Lender Approval Functions

Access to, and content presented on, Lender Approval pages are based on the user’s lending institution type. The instructions and sample pages that follow use Title II examples to illustrate how to access any of the Title I and Title II menu options.

1. After sign on, select Lender Approval from the FHA Connection main menu.
2. On the Lender Approval menu (Figure 1), select the desired Title I or Title II option, e.g., Institution Profile, Branch Functions, etc. The selected Lender Approval page appears. The FHA Connection menu path appears as a breadcrumb trail in the red banner at the top of each function page (Figure 2).
Institution Profile

Overview

The **Institution Profile** function allows you to access and submit your organization’s annual recertification form, pay annual renewal fees online, and view your lending institution’s information, including:

- the total number of FHA branches (active and terminated)
- the total number of active authorized agent relationships
- mortgagee type
- fiscal year end date
- next annual renewal requirements
The Institution Profile page also provides direct access to additional **Lender Approval** functions using either the navigation buttons (Figure 2 and discussed in the **Institution Profile Links** section) or direct links using the **Other Functions** list (also available on all other **Lender Approval** pages).

![Figure 3a: Sample Other Functions list](image)

**Note**: Due to the termination of Loan Correspondents, the following message is displayed upon selecting **Sponsor Relations** from the above drop-down list.

```
All Loan Correspondents have been terminated as of 3/31/11. 
If you have any questions or concerns, please contact 
the Lender Approval and Recertification Division at (202) 755-7400
```

Figure 4b: Displayed message upon selection of the Sponsor Relations link

Home office details, including important addresses used by HUD, can be viewed and updated using the Institution Profile page. All institution types also have access to **Branch Functions** and **Authorized Agent Relations**.

### Annual Renewal

FHA-approved lenders renew their approval each year using the **Institution Profile** function. The annual renewal process includes completing the Annual Certification, remittance of the annual renewal fee and the submission of the Audited Financial Statements. Government Mortgagees are not required to remit the annual fee or submit audited financial statements. **All required Annual Renewal requirements must be received and accepted within 90 days of a lender's fiscal year end.**

Title II lenders may review Chapter 4 of the **Title II Mortgage Approval Handbook 4060.1, Rev-2** at [http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/handbooks/hsgh/4060.1](http://portal.hud.gov/hudportal/HUD?src=/program_offices/administration/hudclips/handbooks/hsgh/4060.1) and Mortgagee Letter 2009-25 for details on when and what to do for approval renewal.

Title I lenders should review the same Chapter 4, previously cited, as well as Title I Letters TI-478 and TI-03-1. Title I letters can be found on HUDCLIPS at [http://www.hud.gov/offices/adm/hudclips/letters/title1/](http://www.hud.gov/offices/adm/hudclips/letters/title1/).

### Annual Certification

All lenders must complete the electronic Annual Certification as a component of the renewal process (**electronic Annual Certification replaced the paper Yearly Verification Report (V-Form)**). Only corporate officers or principal owners (**as defined in Mortgagee Letter 2010-38**) are permitted to complete the Annual Certification on behalf of an institution. Any individual whose name is not currently reflected in the FHA Connection as an authorized corporate officer or principal owner will not be permitted to complete the electronic Annual Certification for the renewing mortgagee. Each individual responsible for completing a company’s Annual Certification is required to have his/her own FHA Connection user ID/password and be registered with HUD as a corporate officer or principal owner. **The Annual Certification must be completed before remittance of the annual fee and before submission of the audited financial statements.**

### Pay Annual Renewal Fees

Allows you to pay your institution’s recertification fees online via HUD’s automated collection service. When the collection service is used, fees are automatically calculated based on the number of active branches associated with your institution, and the payment is automatically taken from the account you designate. There are four steps, i.e., **Lender Approval** pages, to complete that lead you through the recertification payment transaction:

1. Enter Payment Detail (Figure 4)
2. Verify (entered) Information
3. Submit Payment (electronic transmission via HUD’s automated collection service)
4. Confirmation of Payment (Figure 5)

Each of these pages lists the four required steps at the top. As illustrated in Figure 4, the current step is highlighted (in blue) at the top of the corresponding payment recertification page to indicate the step you are currently on.

Figure 5: Lender Approval Enter Payment Detail page
The Confirmation of Payment page provides a record of the transaction and allows you to print your final receipt (Figure 5).

![Image of Lender Approval Confirmation of Payment](image1)

The above amount will be withdrawn from your Business Checking account. This transaction will be processed within 24 hours from the time that you submit it and will be reflected on the FHA Connection within 2 business days.

Please print this screen for your records.

![Image of Payment History](image2)

Blue highlighting indicates where you are in the payment process.

Information for each payment includes the payment date, HUD and the automated collection service’s tracking IDs, payment amount, and payment status. (See Figure 6.)

![Image of Payment History](image3)

(0 records were selected, 0 records displayed.)

The Confirmation of Payment page provides a record of the transaction and allows you to print your final receipt (Figure 5).
**Institution Profile Links**

Similar to all other **Lender Approval** function pages, the Institution Profile page provides the capability to navigate to other available **Lender Approval** functions using the **Other Functions** list (Figure 3). Navigation buttons are also available for the same purpose.

View **Home Office Details** appears for all lending institutions. This links to the Home Office Details page which provides important addresses, business authorizations, and other information currently on record for the lending institution’s main office. Authorized institution employees use the Home Office Details page to update this information and keep it current. See **Home Office Details** for more information.

Along the bottom of the Institution Profile page, additional buttons display and link to other **Lender Approval** functions, depending on lending institution type and authorization:

Show **Branches** links to the List Branches page which displays information on all of the active branches for the lending institution. Authorized users may view and update existing branches, add a new branch, view terminated branches, and generate a branch report. Refer to the **List Branches** section for additional details.

Show **Agents** links to the Authorized Agent Relations page which initially displays existing relationships as **Principal** for the lending institution. Optionally, existing relationships can be displayed from the perspective of **Authorized Agent**. Users with authorization may view principal/agent summary details for an institution with which there is an existing relationship, delete the relationship, generate a report of existing relationships, and add a principal/originator. This function only displays with Title II authorization. Refer to **Authorized Agent Relations** for more information.

**Home Office Details**

The Home Office Details page provides the various key addresses on record for the home office (Figure 7), business authorizations, and other information (Figure 8) currently on record for the lending institution’s main office. Users with authorization may update the information.

To access the Home Office Details page, click **View Home Office Details** on the Institution Profile page.
Figure 8: Addresses included in top half of the Home Office Details page
### Doing Business As (if utilizing a DBA)

<table>
<thead>
<tr>
<th>Name:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
</tbody>
</table>

I certify that this office has a DBA certificate for each name listed from the appropriate regulatory authority for the state in which it is located.  ☐ Yes  ☐ No

### NMLS

<table>
<thead>
<tr>
<th>NMLS ID: 11223</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Date of Incorporation:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>State of Incorporation:</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
</tr>
</tbody>
</table>

### Chief Officer

**First Name:** Michael  **Last Name:** Smith  
**Social Security No:** ***-**-1234  
**Title:** Chief Executive Officer

This office operation is: Traditional

**FUNCTIONS AUTHORIZED TO PERFORM:**

<table>
<thead>
<tr>
<th>Institution Approved to:</th>
</tr>
</thead>
<tbody>
<tr>
<td>Service 1-4 Family &amp; Multifamily Mortgages</td>
</tr>
<tr>
<td>Service &amp; Originate 1-4 Family Mortgages</td>
</tr>
<tr>
<td>Service &amp; Originate Multifamily Mortgages</td>
</tr>
<tr>
<td>Service &amp; Originate 1-4 Family &amp; Multifamily Mortgages</td>
</tr>
<tr>
<td>Originate 1-4 Family Mortgages Only</td>
</tr>
<tr>
<td>Originate Multifamily Mortgages Only</td>
</tr>
<tr>
<td>Originate 1-4 Family &amp; Multifamily Mortgages</td>
</tr>
<tr>
<td>Service 1-4 Family Mortgages Only</td>
</tr>
<tr>
<td>Service Multifamily Mortgages Only</td>
</tr>
</tbody>
</table>

This office is currently Active

[Update] [Reset]

Show Areas Approved for Business

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**Figure 9:** Authorizations and other information included in the lower half of the Home Office Details page.
**Branch Functions**

**Branch Functions** allows authorized users to view and update detailed information for an existing branch, add a new branch, request a list of all branches or a specified subset using selection criteria, and generate a customized branch report for the lending institution.

To access the Branch Functions Query page (Figure 9), use either of the following:

Select **Branch Functions** on the **Lender Approval** menu (Figure 1)
or,

Select **Branch Functions** from the **Other Functions** list, available on all **Lender Approval** pages.

**Note:** Click on the Institution Profile page to go directly to a complete list of all active branches for the lending institution (see the **List Branches** section).

![Branch Functions Query page](image)

Figure 10: Branch Functions Query page

The Branch Functions Query page enables you to request the desired information to view, add, or update branch information for your lending institution. Refer to the **List Branches** and **Branch Details** sections that follow.
**List Branches**

To display a list of branches from the Branch Functions Query page:

1. Specify the criteria for the list, i.e., state, city name, or branch status (leave the default selections to produce a list of all active branches for your institution).

2. Click **List Branches**. The List Branches page appears listing all active branches for the specified criteria (Figure 10).

*Note:* You can also click **Show Branches** on the Institution Profile page to access the List Branches page displaying all active branches for the lending institution.

The List Branches page initially displays the active branches for the lending institution. Additional pages are available if the list exceeds 20. The lending institution’s home office is highlighted in yellow. Users with authorization may access the information for a branch by clicking the **Branch ID** or add a new branch by clicking the **add a new branch** link. Use **Show Terminated Branches** and/or **Show Active Branches** to switch between active and terminated branch listings.

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**Branch Details**

To display details for one specific branch from the Branch Functions Query page:

1. Type the last five digits of the branch identification number in the **Branch ID** field.

2. Click **Retrieve**. The Branch Details page appears (Figures 11 and 12).

The Branch Details page provides important addresses and other detailed information associated with the branch office. In addition, Branch Details provides authorized users the capability to update, reset, and terminate branch information.
Address information, presented at the top of the Branch Details page (Figure 11), includes:

- **Geographic Address of Branch** - address identifying the physical location of the branch office and related contact information

- **CHUMS (Processing and Underwriting) Address** - address on record in the Computerized Homes Underwriting Management System (CHUMS) used by HUD Homeownership Centers to mail reports on a lender’s loan origination activities

- **Insurance Endorsement Address** - address to which endorsement information (e.g., Mortgage Insurance Certificate) for the specified branch is sent.

![Figure 12: Top half of Branch Details page - Address Information](image)
Additional branch information is presented on the lower half of the page (Figure 12), including:

- **Doing Business As** (DBA) information, if applicable
- **NMLS** corresponding Nationwide Mortgage Licensing System & Registry (NMLS) identification number
- **Branch Manager** details (including name, Social Security Number, and title)
- **(FHA) Functions Authorized to Perform** by the branch based on the indicated Institution-level authorization(s)

The lower section of the Branch Details page also provides authorized users the following buttons/links:

- **Update** to change the displayed branch information
- **Reset** to ignore unsaved changes and redisplay most currently saved branch information
- **Terminate Branch** to remove the branch’s FHA Title I or Title II authorization
- **Show Areas Approved for Business** to link to the Areas Approved for Business page
**Adding a New Branch**

The **add a new branch** link on the Branch Functions Query page (Figure 9) allows authorized users to access the Enter Branch Data page (Figure 13) to add information for a new branch including branch office, CHUMS, and insurance endorsement addresses and phone numbers. Note the following:

- If existing branches need to be reviewed before adding a new branch, use **List Branches** on the Branch Functions Query page (refer to Figure 9 and the Branch Functions section). You can add branches directly from the List Branches page if you have “add branch” authority.

- To reinstate a non-voluntary terminated branch, you must contact the Lender Approval and Recertification Division at HUD. (Call (202) 708-3976 or send an E-mail to hsg-lender_approval@hud.gov.)

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**Figure 14: Upper portion of Enter Branch Data page**

After completing all applicable sections on the Enter Branch Data page, including the certification statements at the end of the page (Figure 14), click **Send** to process the information and get the Lender ID for the new branch.

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**Figure 15: Enter Branch Data page - certification statements**
Areas Approved for Business

Areas Approved for Business (AAFB) provides home office information for a specified branch or entire institution and then lists the geographic field office zones, i.e., areas, in which each branch is authorized to conduct Title I or Title II business. Specifically, for each area approved, Field Office ID, Field Office Name, and origination and underwriting approval indicators are provided.

The AAFB Query page (Figure 15) can be accessed using either of the following:
Select Areas Approved for Business on the Lender Approval menu (Figure 1) or,
Select AAFB List from the Other Functions list, available on all Lender Approval pages.

Use the AAFB Query page to request one of the following lists.

**Approved areas for a specific branch.** To display a list of approved areas for a specific branch:

1. On the AAFB Query page, type the last five digits of the branch identification number in the (option 1) Branch ID field.

2. Click Retrieve The Areas Approved for Business page appears, listing all approved field office zones (listed alphabetically by Field Office Name) for the specified branch (Figure 16).

**Approved areas for all branches.** To display a list of approved areas for each branch in the entire institution, click Retrieve located to the right of (option 2) List by Branch ID on the AAFB Query page. The Areas Approved for Business page appears, listing all approved field office zones (listed alphabetically by Field Office Name) for each branch (listed in order by Branch ID).

**Aggregate list for entire Institution.** To display a summarized list of approved areas for the entire institution, click Retrieve located to the right of (option 3) Aggregate list for the entire Institution on the AAFB Query page. The Areas Approved for Business page appears, listing all approved field office zones alphabetically by Field Office Name.
## Areas Approved For Business

**Title II**

**NATIONAL MUTUAL BANK - 54321-0999-0**

Individual Areas Approved For Business (AAFB) may not be modified or deleted. To delete a branch, please use the Branch Functions.

1 branch (may include the home office) has been found.

<table>
<thead>
<tr>
<th>Num</th>
<th>Field Office ID</th>
<th>Field Office Name</th>
<th>Origination Approval</th>
<th>Underwriting Approval</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>0406</td>
<td><strong>Primary Field Office</strong> - ATLANTA, GA</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>2</td>
<td>0409</td>
<td>BIRMINGHAM, AL</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>3</td>
<td>0416</td>
<td>COLUMBIA, SC</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>4</td>
<td>0414</td>
<td>CORAL GABLES, FL</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>5</td>
<td>0419</td>
<td>GREENSBORO, NC</td>
<td>Yes</td>
<td>Yes</td>
</tr>
<tr>
<td>6</td>
<td>0624</td>
<td>HOUSTON, TX</td>
<td>No</td>
<td>Yes</td>
</tr>
</tbody>
</table>

Message Board Monday March 27, 2003

Figure 17: Areas Approved For Business for a specific branch
Authorized Agent Relations

Authorized Agent Relations allows you to view, as Principal or as Agent, existing relationships with other lending institutions. Users with authorization may view agent/principal details, delete the relationship, generate a report of existing relationships, and add a new principal/originator.

The Authorized Agent Relations page (Figure 19) can be accessed using any of the following:

- Select Authorized Agent Relations on the Lender Approval menu (Figure 1)
- Select Authorized Agent Relations from the Other Functions list, available on all Lender Approval pages
- Select Show Agents from the Institution Profile page.

Initially, the page displays existing relationships wherein the user’s institution is the Principal. To view relationships as the Agent, click View as Authorized Agent. Use the View as Principal/Originator to switch back to viewing as Principal.

Note: The Authorized Agent Relations page is only available with Title II authorization.
Payment History

Payment History (Figure 20) allows authorized users the ability to view and track pertinent lender payment history information previously submitted through HUD’s automated collection service. Payment information pertains to:

- Lender recertification
- Addition of new lender branches
- Reinstatement of a lender branch

Each listing provides reference information (Figure 21) as it relates to an individual payment for the corresponding lender. Lenders can only view their own payment information.
Privacy Policy

Privacy Policy is a link to HUD’s Privacy Policy and Security Statement information page (Figure 22). This disclosure statement provides information regarding the various measures in place to protect an individual’s privacy while navigating HUD’s website. Topic information includes: Email, Information Collection, Site Security, and Links to Other Sites.

Figure 22: HUD’s Privacy Policy and Security Statement page