

Underwriting Bulletin: UNNAT-2021-003

Date: February 22, 2021

To: ALL Agents

From: FNTI Underwriting Department

RE: **FHA Info. #20-92 – HUD Does Not Accept Wire Transfer for Payoff of Secretary-Held Home Equity Conversion Mortgages (“Reverse Mortgages”) and Partial Claims**

Pursuant to FHA Info # 20-92, the Federal Housing Administration (FHA), through HUD, published a new Frequently Asked Questions (FAQs) as a reminder of the method wherein payoff funds for Secretary-Held Home Equity Conversion Mortgages (HECMs) and Partial Claims may be submitted to the FHA. Specifically, **all** payoffs for Secretary-Held HECMs and Partial Claims **must** be submitted to HUD’s loan servicing contractor, **Novad Management Consulting**, in the form of **certified funds**, such as a cashier’s check.

The FHA does not accept wire transfers to payoff Secretary-Held HECMs or Partial Claims. If you have received a payoff statement containing wiring instructions for any Secretary-Held HECMs or Partial Claims, then it is fraudulent. If you have received a payoff statement containing wiring instructions for any Secretary-Held HECMs or Partial Claims, then you should immediately contact the FHA Resource Center, either via email (answers@hud.gov), or by telephone at 1-800-CALLFHA (1-800-225-5342), both to report the allegedly fraudulent payoff statement and to obtain a correct payoff statement.

For further details, please read the copy of the communication:

https://www.hud.gov/sites/dfiles/SFH/documents/SFH_FHA_INFO_20-92.pdf

As always, should you have further questions, please do not hesitate to contact an FNTI team member.