



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
WASHINGTON, DC 20410-8000

ASSISTANT SECRETARY FOR HOUSING-
FEDERAL HOUSING COMMISSIONER

September 27, 2013

Mortgagee Letter 2013-35

To FHA Approved Lenders and Applicants for FHA Lender Approval

Subject FHA Consolidation of Title I and Title II Lender Identification Numbers

Purpose The purpose of this Mortgagee Letter is to announce the consolidation of Title I and Title II Lender Identification (Lender ID) numbers. Lenders will now have a single Lender ID.

Effective Date All requirements in the Mortgagee Letter are effective March 31, 2014.

Background Currently, in accordance with Handbooks 4060.1 and 4700.2, FHA issues lenders two FHA identification numbers for the same Tax Identification Number (TIN) upon approval for Title I and Title II to differentiate between the two insurance types. This occurs even though these programs generally operate out of the same locations. As a result, lenders are required to submit two separate recertification packages and in some instances, required to have separate access to various systems based upon these different Title I and Title II Lender ID's.

Consolidation of the Identification Number FHA will be consolidating the Title I and Title II FHA ID numbers of all lenders that share a common Tax Identification Number. For lenders with a Title I and Title II ID, the current FHA Title II ID will remain as a lender's active FHA ID, while the Title I ID will no longer be valid.

Lenders applying for initial approval for both Title I and Title II authorities will receive a single FHA ID number. A currently approved Title II lender applying for additional authority (e.g., Title I) will maintain its existing Lender ID and the additional authority will be added. As a result of the consolidation, some Title I and Title II approved lenders will be issued a new FHA ID number.

For each registered branch, lenders will be required to identify the branch's authority (Title I and/or Title II) in the FHA Connection.

Corporate Officers and Managers

The Department recommends all lenders review and update corporate officers, branch managers, and regional managers prior to the consolidation. Branch and regional manager information may be updated on the FHA Connection. Changes to corporate officers must be submitted to HUD on the FHA-approved mortgagee’s letterhead and must be signed by a principal owner or corporate officer. Notification of business changes must be sent to the following address:

U.S. Department of Housing and Urban Development
Office of Lender Activities and Program Compliance
Attn: Director, Lender Approval and Recertification Division
451 7th Street, SW, Room B-133/P3214
Washington, DC 20410

The registered full-time corporate officer for the Title II Lender ID will become the default officer for the institution. In the event there are separate corporate officers, branch and/or regional branch managers for Title I and Title II, the Title I corporate officers and managers will be transferred into the Title II Lender ID. Branch managers and regional branch managers will be transferred, and the managers listed for Title II will become the default managers for the branch.

Annual Renewal

Currently, each Lender ID must submit a separate annual recertification package. The consolidation to a single Lender ID as announced in this Mortgagee Letter will streamline the renewal process, since FHA ID numbers that share a common Tax ID will only be required to submit one recertification package.

Approval and Recertification Fee Schedule

The initial approval application and the home and branch office renewal fees are calculated based upon the institution’s authorities. FHA has not instituted any changes to the amount a lender remits to submit an application for renewal or initial approval. The fee schedule is below.

Fee Schedule

	Title I	Title II	Consolidated
Initial Approval	\$1,000	\$1,000	\$1,000*
Branch	\$300	\$300	\$600
Home Office	\$150	\$500	\$650
Renewal			
Branch Office	\$50	\$200	\$250
Renewal			

*In accordance with Mortgagee Approval Handbooks 4060.1 and 4700.2, the \$1,000 initial application fee is only applied once.

**Information
Collection
Requirements**

Paperwork reduction information collection requirements contained in this Mortgagee Letter have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. § 3501-3520) and assigned OMB Control Number 2502-0005. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB Control Number.

Questions

Please inquire about information provided in this Mortgagee Letter by contacting the FHA Resource Center at 1-800-CALLFHA (1-800-225-5342). Persons with hearing or speech impairments may reach this number by calling the Federal Information Relay Service at (800-877-8339). For additional information on this Mortgagee Letter, please visit www.hud.gov/answers

Signature

Carol J. Galante
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